SOCIAL SECURITY — GENERAL

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Report to outline the role of NGOs

Nicola Jenvey (297) 806/11/97

DURBAN — Final recommendations cementing the interaction between government and nongovernmental organisations (NGOs) are expected to be presented to the deputy president's office today, ahead of the bill outlining NGO functions and powers, due before Parliament early this year.

NGO liaison office director Sibongile Mkhabela said at the weekend that the report was commissioned by Thabo Mbeki's office after the collapse of the reconstruction and development programme ministry under which directions for NGOs in the new dispensation were being formulated. It will identify the form and structure in which NGOs will operate. The report was completed ahead of the December 31 deadline.

Mkhabela said NGOs formed "the vital backbone of civil society and provided the voice through which democracy operated". The report would therefore recommend to government that NGO funding be made available by reallocating resources already offered. This included reallocating inefficient line function funding throughout various government departments, or channelling certain amounts of international donor funding towards NGOs, but discounted increasing the taxpayer burden.

The report was also expected to include recommendations to the Income Tax Act which harmonised the tax-exempt status of NGOs. The existing act makes provision for religious, educational and charitable organisations to obtain tax relief, but last year the welfare department stated that the categories were "too narrowly defined".

The report was to have been made public simultaneously with the presentation to the deputy president's office, but Mkhabela said the liaison office had elected to submit it privately about two weeks before releasing the information. However, she discounted any possibility of the report being discarded on grounds that the findings were based on extensive consultation with NGOs and reflected the needs within society.

Mkhabela said Mbeki's office had requested that the NGO liaison office investigate ways in which government could build a relationship with community-based organisations with a view to incorporating them in government developmental projects. This had evolved into the formation of the National Development Agency's advisory committee — the primary link between government and NGOs in the future.

'It's time to pull SA together'

Give NGOs a chance to help build nation, urges MP

ARG 8/1/97

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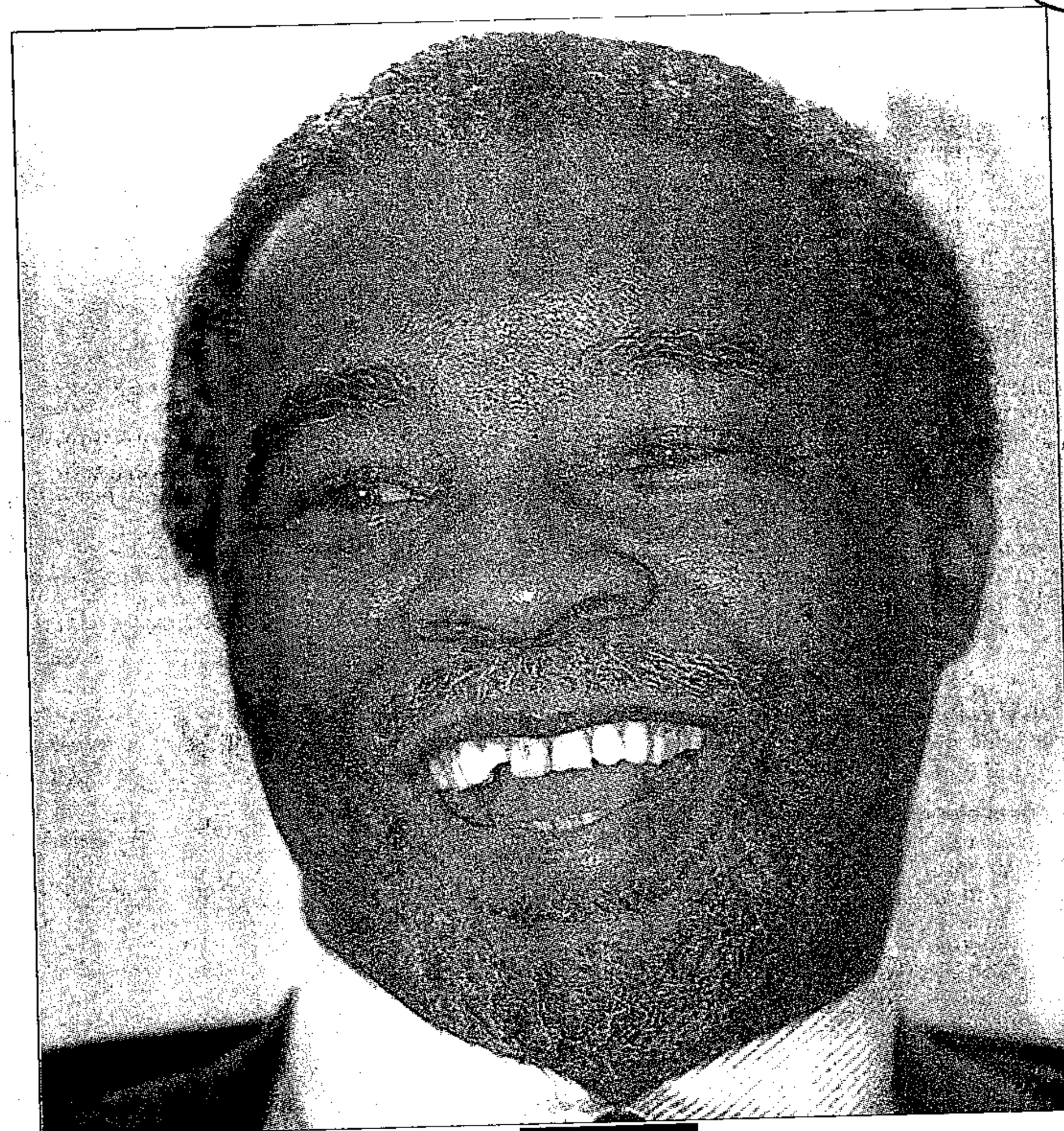
DEPUTY PRESIDENT THABO MBEKI HAS RECEIVED FINAL RECOMMENDATIONS FOR NEW LEGISLATION TO REGULATE THE RELATIONSHIP BETWEEN THE GOVERNMENT AND NON-GOVERNMENT ORGANISATIONS. AFRICAN NATIONAL CONGRESS MP BEN TUROK EXAMINES THE CRUCIAL ROLE OF THESE ORGANISATIONS IN SOUTH AFRICA'S EMERGING NEW SOCIETY



My favourite image of the New South Africa is of the voting queues in the May 1994 elections.

Suddenly, we had a visual impact of a functioning democracy at work, but even more important was the extraordinary sensation that all these voters were actually equal in status for the first time in South Africa's history.

I marvelled at this unusual sight in the land of apartheid.

This sensation has recurred only rarely since then. And it has generally happened at meetings of NGOs and it seems that this is because there is such a determined effort to regard everyone as equal and deserving of courtesy and respect. NGOs are, first and foremost, social instruments and that is their principle merit in the complex web of society.

Having won an enormous political struggle for formal equality in the political sphere, there now looms the struggle to change the economy. This is the new key to the future.

It is a commonplace to say that South Africa is a rich country, yet, to adapt what J J Rousseau said, we are now free but everywhere people are in chains. This is

This also requires a massive effort from the State, but in combination with all the elements of civil society, as well as a carefully delineated role for business.

We do indeed need major reprioritisation of State spending, but this should be done openly as far as possible, with Parliament playing a major role since it has the capacity to consult the public widely.

Also needed are clear inducements to the private sector to draw them out of their self-interested behaviour. The country badly needs a more adventurous business style so that domestic investment increases rapidly.

An essential element is a new initiative to motivate civil society.

A new political climate must be created in which civil society will see a clear role as a partner to government, but operating in its own fashion around its own objectives and methods. There is certainly room for co-ordination, but this should be sharply distinguished from control, except as far as financial accountability for public funds is needed.

NGOs fear governmental control. Apart from the hazards of getting enmeshed in bureaucracy, they also work best when they have space for flexibility and manoeuvre.

Also vital is that the State must release resources. The parsimony shown in earlier RDP programmes was not helpful. While there should be no scope for dishonesty in project finances, there should also be some scope for "learning by doing".

However, the emphasis on community involvement goes further than the control of money. There is a social aspect of reinforcing the sense of community which cannot be over-emphasised. Our town-

not because the country is poor in resources, but because these resources are so badly deployed.

To change our economy requires a huge effort to intensify the fabrication of material commodities, to make a huge leap forward with human capacity development and to expand the base of the economy so that the great majority of our people are "economically active" in reality and not just in statistics.

Conventional economics focuses on the main arteries of the economy, the so-called factors of production.

If we are to transform South Africa, we need to go much wider and include such elements as community development, social development of all kinds, co-operatives and, of course, a great variety of small businesses.

These points deserve much attention, because, without taking them into account, all the talk about improving the quality of life of the majority of our people is a bit hollow. These are the services that make life more pleasant – and they must get the highest priority.

It is the NGO movement which has always been most sensitive to the poor quality of life of the majority.

During the formative period of the RDP, the NGOs were heavily engaged, indeed they played a crucial role, in its drafting. Once the RDP became Government doctrine, however, the State machine thought it could go it alone, with unfortunate consequences.

OBED ZILWA

Man at the helm: Deputy President Thabo Mbeki, who will pilot the new legislation through parliament

The reason for the new sensitivity to a greater role for the NGOs is that the State discovered that the economic system had hardened arteries.

First, there were all the powerful conglomerates which owned and controlled the economy, and which persisted in their old methods of in-house operations.

Then there was the civil service, which was bound up in routine, which displayed little energy, and which was so hard to move into a different paradigm.

'South Africa is a rich country. We are now free, but everywhere people are in chains'

Finally, there were the rigid structures built by apartheid, which strove to sustain themselves, notwithstanding the public pressures around them.

All these factors bring an element of frustration to a government whose objective is social transformation.

There is much discussion about restructuring the State apparatus, not only for its own sake, but also to perform better in the economy.

This is surely a vital task, but most of this is conducted from the top down by ministerial decree.

It is slow and its impact will not be as substantial as the situation demands.

There is, therefore, a new challenge facing the Government and the nation. It is how to link the efforts at restructuring that State apparatus with people-centred development.

There appear to be three options on the table.

■ The first is to pursue a cautious incremental approach, trying to make gradual changes in the civil service, bring in new legislation, and shift the State apparatus into a different mould. The problem here is that it is a very slow route.

■ The second option is restructuring from above, to virtually force departments to reprioritise budgets around RDP objectives.

Associated with restructuring from above is a degree of commercialisation of public services, selective privatisation, an increased role for the private sector generally and a major effort to attract foreign direct investment.

■ The third option is to involve the whole of society in a joint effort around economic growth and social development.

ships are plagued by crime and social fragmentation. Community projects are essential to reunite people and create that sense of community which modern industrial society so rapidly undermines.

Our country does not have an extensive social welfare system, so individuals constantly feel they must look after themselves. A new push for development with many of the needed resources provided by the State in a structure of partnership would go a long way to make up for that lack. It would also be a far better form of safety net for the really poor than handouts.

One of the most important resources of government is its function as the largest consumer of goods and services in the country. Each layer of government should examine which of these goods and services could be sourced out to small businesses and NGOs which are located within communities.

It would also be helpful if the Government sent a signal to foreign donors that the huge shift of funding from the NGOs to government has had a bad effect.

Finally, without overstating the possibilities, I want to propose that we re-examine the role of Parliament with respect to economic mobilisation. In Parliament it is possible to engage with the executive on such matters as the priorities of government, budget allocations, the performance of the civil service, indeed the whole range of objectives around improving the quality of life for the majority.

BETTER FACILITIES, TRAINING FOR TEACHERS

New deal for disabled kids

(297) (6) CT 9/1/97

TEACHERS are to be trained to teach children in need of special education and all schools built in future will have wheelchair ramps. **CAROL CAMPBELL** reports.

A NEW education deal is on the cards for disabled children and young offenders but policy-makers have assured parents their children will not be "dumped" in mainstream schools to save money.

Professor Sandy Lazarus, who is heading two government investigations — one into special education and training and the other into support services for the disabled — said special education had been neglected in the past.

Government research had estimated that 50% of all school-going children were not benefiting from the existing education system and need "special education".

"This figure has been inflated by 'Bantu' education, poorly trained teachers and a weak curriculum.

"As education is revamped and children are given relevant lessons by better-trained and motivated staff things will improve," Lazarus said.

The Western Cape Education Department's director of special needs education, Dr Matthi Theron, said that in most countries about 15% of pupils needed special education and in the Western Cape less than half of these pupils were receiving attention.

"Our budget for special schools is R250 million. We will not be given more money but will still have to double the work we are doing.

"I really believe this is possible with proper management and the effective use of resources."

The province funded about 80 "special schools", which was almost as many as the rest of the country put together. Because of this, the Western Cape was subsidising the education of hundreds of children from other provinces — at enormous cost.

"We have billed the departments using our schools but ultimately they must build their own schools and take responsibility for their own children," Theron said.

The recommendations from the special education and training commission are to be handed to Education Minister Dr Sibusiso Bengu in October this year.

Commissioner Mr Sigamoney Naicker, a much-published author on special education, who is working with Theron in the education department, said most commissioners favoured a thorough, rigorous and consultative approach when coming up with a policy for special education.

"This means that whatever we do, we want to help pupils integrate into society in a democratic and responsible manner. It does not mean we are going to thrust children in need of special education into the mainstream schooling system.

"If children can fit into the mainstream system they will be given all the support they need and teachers will be properly trained."

Teacher training, curriculum development and a host of other issues relating to special education would all come under discussion during 1997.

"Our goal is to create an ethos of acceptance and mutual respect in society — you do this by starting with children at school," Naicker said.

Theron said all new schools being built in the Western Cape would include ramps for wheelchairs and appropriate toilet facilities.

Remedial teachers were also being trained as facilitators who could train public school teachers to teach children with disabilities.

"In the long-term we hope to have public school teachers who can use sign language and read Braille," Theron said.

Riot erupts at Bellville welfare office

Anger boils over as new corruption claims emerge

(297) ARG 13/1/97

MARIO WYNGAARD
STAFF REPORTER

Welfare recipients ran riot when the Belville social welfare office, plagued by allegations of corruption, failed to give them cheques and food vouchers.

Fresh allegations have surfaced of corruption at the Bellville office, which has already been investigated.

The Western Cape Department of Social Services said a probe of the earlier corruption claims had found them to be unsubstantiated, although staff involved in fraud in other parts of the province had been suspended or fired.

Last week, angry people on welfare, some armed with knives, overturned benches and stoned the building when cheques and food vouchers failed to materialise.

The angry scene followed a meeting in November at which departmental staff were accused of promising to "find folders" for a fee of between R100 and R400.

The department appointed a forensic auditor to investigate the allegations.

But a department employee – who asked not to be named – said nothing much had been done.

"Allegations of corruption, fraud and mismanagement of funds have increased since the rumpus here in November last year," the employee said.

"People are in the dark and do not know what is happening when they come to us for their monthly payouts and find there is no money.

"This situation is becoming uncontrollable."

Welfare recipients gathered at the Bellville offices last week, demanding their cheques and food vouchers.

They said staff had promised them they would receive their food vouchers last week.

Chaos erupted as angry people overturned several benches and threw stones at the building's windows. Police were called in to restore order.

After nearly two hours the crowd slowly made their way home.

Waldie Terblanche, director of social security for the Department of Social Services, said that during the 1995/96 financial year the department had appointed auditors Ernst & Young to investigate allegations of corruption and fraud in the province.

He said that based on the findings of this investigation, staff identified as having taken part in any fraud or irregularities had either been suspended or their services were terminated.

"The Department is also making use of the number, 0800 220 250, where anybody can report allegations of fraud," Dr Terblanche said.

"All allegations of corruption at the Bellville office are dealt with accordingly.

"Based on information received from the 0800 number and some community leaders with regard to the Bellville office, an investigation was conducted but proved to be unsubstantiated."

He said the department would build mechanisms into its operation to ensure effective identification of officials who, according to the community, had been involved in irregularities.

Dr Terblanche said the department was also appreciative of the active role the community had played in helping the department identify corrupt officials.

"We also recognise the fraudulent elements within the community that have also hampered our work, for example people charging money to assist beneficiaries, and the role of loan sharks," he said.

The Bellville welfare office serves the northern parts of the Cape Flats including Elsies River, Bishop Lavis and Bonteheuwel.

'Bra' Geraldine goes into battle

(297)

Facing the welfare challenge

ARG 15/1/97

HELEN GRANGE
ARGUS CORRESPONDENT

Johannesburg – Trade unionist Sam Shilowa used to call Geraldine Fraser-Moleketi "bra".

No doubt it was partly because behind that diminutive, feminine physicality she has a masculine steel which, within minutes of engaging her, tends to dominate the listener's perceptions of her.

It's a potent concoction of perfumed power, but what's refreshing is that she's aware of its effect – and manages it with an intelligence which makes her all the more compelling.

If there's anything to be taken issue with, it's that she is unnervingly committed: her intensity, of the Trotskyite mould, tends to exhaust the more fanciful among us fairly quickly.

As the youngest cabinet minister – she is 36 – Ms Fraser-Moleketi has a bruiser of a portfolio – welfare – and it is taking a heavy toll on her responsibilities as a wife and mother of three.

Still, it's been her struggle as a woman in exile and as a parent that has enabled her to identify, better than most of her colleagues, with her constituency.

Underprivileged women and children are her biggest focus, and she speaks of these groups with enormous empathy.

And she has, it becomes clear, a contempt for patriarchy in all its forms.

Colleagues sometimes acerbically remark that she used to take her kids to political meetings. Before her youngest, Solomzi, was weaned, she'd have no problem breastfeeding him in the midst of talk of revolution.

She has a forthright answer to that: "Society is not used to associating working women with motherhood. There's a prejudice about their effectiveness in the workplace. But if women are also mothers, it doesn't mean they're less effective."

Women, she recalls, played a very important role in Umkhonto we Sizwe, which she joined in exile in 1980.

"Women did a lot of support work, sensitive work, and they were more bold in some instances."

On her return in 1990, though, she found herself in a melting pot of returned exiles – varying in age and experience – and encountered that all-too-familiar machismo among older revolutionaries.

Yet her commitment to the African National Congress, particularly to President Mandela, is absolutely unwavering.

"Let's just say you can see people who came into the ANC at different times," she says. "There's a need to break down those macho constraints."

If there are strong strains of militancy in Geraldine, it's because she is a militant, not in the armed combat sense but in her preference for the military approach as a superior method of tackling anything that needs to be done.

'South Africa has been declared the most lethal society in the world'

Perhaps more indicative of the "far left" culture that moulded her as a youth is her assertion that South Africa's transformation has only just begun.

"It's still not impacting on real people. We've reached but one milestone. I think military skills are necessary because you learn about strategic intervention, about the need to be meticulous. Management training is similar to the military in that respect."

The welfare ministry, of which she took the helm in July, was a "mess, a house of cards about to collapse," she says.

Her first task was to clean up the administration, which had fallen into disgrace with widespread allegations of corruption and fraud.

"We created a task team to look at the patterns of fraud, and to implement a policy and structure to ensure efficient delivery ... It's going to take a few years to clean up the fraud, but at least we should have the building blocks which will enable us to amalgamate the beneficiaries of social security and get assistance to those who need it the most, the poorest of the poor."

It's the empowerment "in a real sense" of women and children that she is "obsessed" with.

In her office is a dark picture of a downtrodden woman carrying firewood on her head and a baby on her back given to her by the vice-president of Uganda. She says it's a constant reminder to her of the people she represents and their needs.

The most pressing needs are those of the thousands of children in residential care who are suffering secondary abuse and the growing number of HIV-positive children who are losing their parents to AIDS.

"South Africa has been declared the most lethal society in the world. The realities of the inequities are for me a personal pain," she says.

Her own childhood, infused with left-wing politics throughout, was spent in Crossroads in the Western Cape.

She attended Livingstone High School before leaving the country with an unshakeable resolve to help exact change.

"I wanted to be involved in the underground."

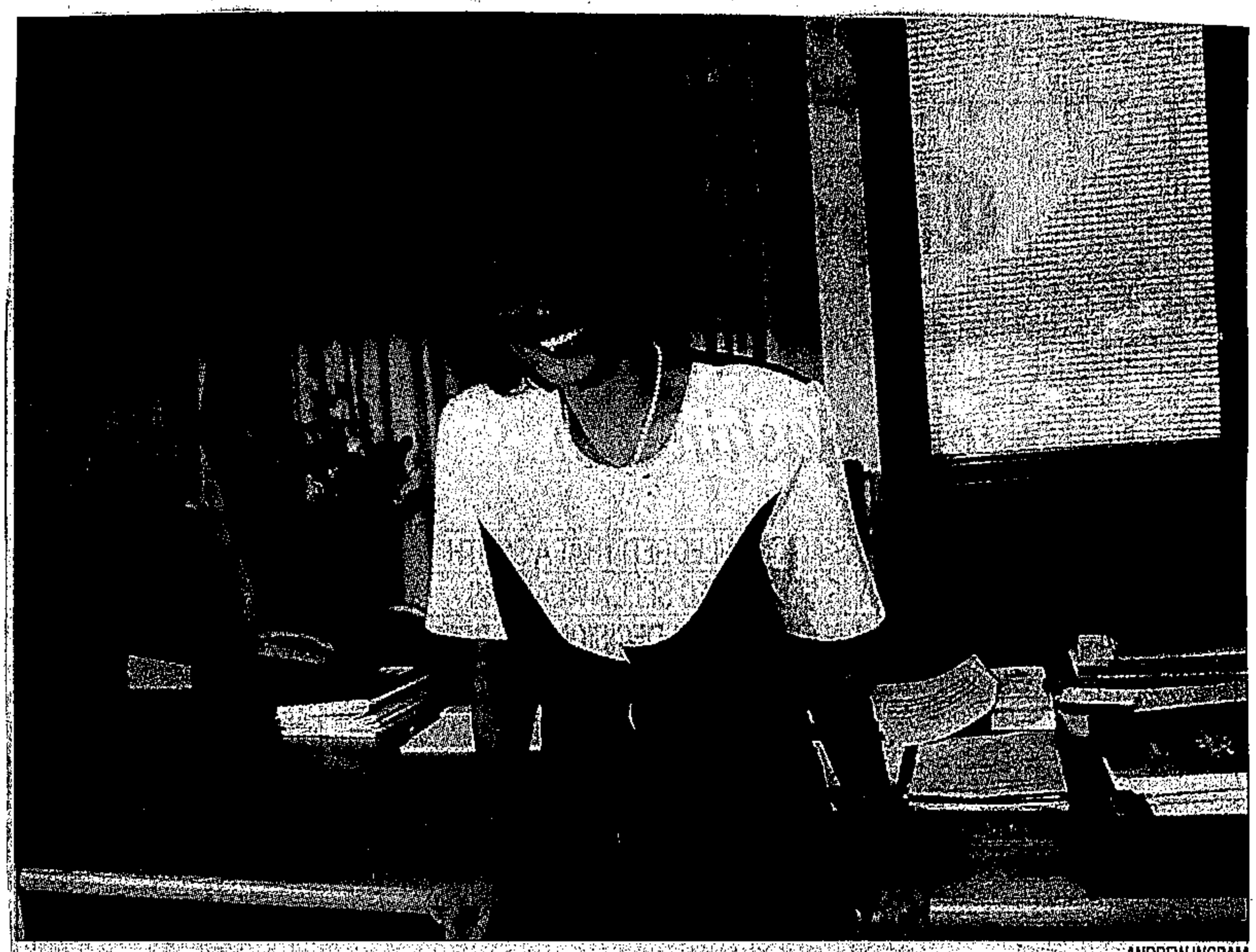
She laughs suddenly. "I met my husband in Luanda in a flat which was literally underground."

Jabu Moleketi is Gauteng MEC for Finance and Economic Affairs and the couple live in Observatory, Johannesburg – a compromise they made to cater for his reluctance to be located too far from his family in Soweto and her need to be closer to Pretoria.

Her three children, Thando,13, Themba, 9, and Solomzi, 5, attend Sacred Heart College, a place where racial identity has been eroded out of consciousness.

The erasure of racial consciousness is another of Geraldine's known missions.

Her own ancestry is a charmed mix of Xhosa, Irish (or Scottish) and Koisan – the result of which is a small package of dynamite.



ANDREW INGRAM

Tough customer: Geraldine Fraser-Moleketi believes military-style skills are necessary in the new South Africa

Department's unspent funds part and parcel of a poor budgetary process

BD 16/1/97

(297)

Rollovers of reconstruction and development programme spending are a symptom of a poor budgetary system which urgently needs to be rationalised, writes Water Affairs and Forestry Minister Kader Asmal

WHAT is frustrating about the press's commentary on, and criticism of, government is not the criticism itself, but the fact that it is often so poorly directed. We need criticism to work effectively but the criticism will work only if it is well directed. It is thus in a spirit of mutual self-criticism that I must take issue with the editorial "Manuel's Stash" (Business Day, January 8) on the problem of rollovers in government.

It is important to remember where these rollovers come from. They represent unspent funds from allocations made from the reconstruction and development programme (RDP) fund to the new programmes of government. To understand why they were not spent, it is necessary to refresh memories about the origin and purpose of the original approach.

The RDP fund was established in 1994 as a mechanism to reprioritise the budget. Long experience of budgetary processes teaches us that reprioritisation is not achieved by issuing instructions to bureaucracies.

There are always good reasons not to change the existing pattern of expenditure. A useful strategy is to place a pool of funds on one side and allocate this exclusively to the new priorities. This establishes a new balance within the overall budget which, once consolidated, can allow normal budgetary mechanisms to take over.

That sounds simple. But, as always in government, there is the problem of the multiple objectives which have to be met (hopefully, in an optimal fashion).

So the macroeconomists from the finance department wanted to seek a quick injection of investment. The RDP fund allocation process was designed accordingly.

The sectors, on the other hand, wanted funds to implement their new programmes. When asked how much they needed, they produced numbers with a very large number of zeroes at the end.

We know that to achieve only the relatively modest aims of the RDP in relation to housing and infrastructural services will cost in the order of R70bn.

Most departments were also well aware that their programmes would take many years to implement. Large individual projects can take five years or more to implement. Even the simplest water project takes at least 18 months from identification (a process which takes time in itself) to the time the first water flows. Communities must organise, agree on the approach to construction and operation, designs must be done, contracts chosen and training given. You do not start this process unless you are sure that you will have the funds to finish it.

Fruitless expenditure is the one outcome that all agree we must avoid.

As indicated, the RDP fund was not designed for realistic disbursement periods — although, by making allocations over two yeas it was already better than the old budgetary system which worked on an annual basis. But therein lay the problem.

A department which requested only the funds it needed for the first year or two of its programme was likely to find itself without the funds needed to complete even its first few projects. It was thus only responsible to ask for the funds required to complete the job. My department, for one, emphasised from the outset the desirability of having allocations made against a realistic case flow. But since the rules were set, the choice was to ask for it all or get none.

As a result, presidential lead projects started in September 1994 are still being built. The biggest, in Vulindlela outside Maritzburg, will be finished only in 1999. While only half built, it is already successful; 40% of the target population are drinking from it. But in the rollover story it is one of the culprits.

The point is that the rollovers were in this sense inevitable. They were created not by the sector department but by the budgetary process of government.

As our small contribution to national savings, Finance Minister Trevor Manuel and I, when in Pretoria, share not just a house but, even more difficult, a kitchen. One of the house rules is that we do not talk shop; but our relationship is excellent.

So it is no criticism of Trevor to say that the budgetary system is still defective and needs to be improved. One of our priorities, which we will be discussing at a meeting of the African National Congress's national executive committee and an extended cabinet meeting will be the introduction of a multiyear budgeting system at least for government's capital programmes. This will, incidentally, meet the editorial's requirement for a better picture of government cash flow.

My contribution will be to insist that the process does not simply rationalise our budgeting system and make it technically more efficient, but that it does so in a way that maintains pressure on the administration to reprioritise spending to meet the needs of the people within the agreed framework of the RDP and the growth, employment and redistribution strategy.

That, I believe, is the meat of the technical problem which we face, a problem whose symptoms are rollovers in departments like mine, but whose causes lie in the developmentally bankrupt budgetary system which we inherited.

It is towards the cure for this kind of problem that we would hope the combined wisdom of your cadre of economic and financial writers would contribute, to which the wisdom of your esteemed readers could be applied. That would be constructive criticism and I, for one, would welcome it. What we need is not rote regrets about government's failure to manage its cash flow, but analysis of the budgetary system that created the problem. We expect delivery from the media as well.

NGOs (297)

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away their decision-making powers."

Existing regulations demanded the drafting of complicated and costly legal documents, restricted the geographical area in which money could be raised, allowed the welfare department to take over the management of fundraising organisations and required organisations to advertise at high costs.

NGOs annually raise more than R6bn in foreign donations, corporate donations, assistance from government and donations from the public.

Fraser-Moleketi said the new draft legislation, which should be ready by the second half of this year, would seek to create an environment in which NGOs could function more effectively with minimal government control and regulation but with the necessary checks and balances.

The technical committee, chaired by welfare chief director Graeme Bloch, would formulate a policy to serve as a basis for the new legislation.

Fraser-Moleketi said the policy should be applicable to all government departments. It also had to formulate guidelines on an appropriate form of incorporation for nonprofit — aimed at addressing the current difficulties of trusts and section 21 companies. "Consideration should also be given to essential minimum criteria to be met by applicants and the kinds of organisations to be excluded from provisions."

The guidelines should reflect the principle of enforceability, the added value they offered to the voluntary sector and their applicability to government as a whole. They should also seek to attain a synergy and congruency with other legislation regarding tax, the Companies Act, the Trust Property Control Act, proposals on the National Development Agency, constitutional provisions and the bill of rights.

New law should promote NGO fundraising

(297)

Stephané Bothma

BD 16/1/97

PRETORIA — New legislation, aimed at minimising government control over nongovernmental organisation (NGO) fundraising and at creating a positive environment in which the not-for-profit sector could flourish, would be drafted this year, Welfare Minister Geraldine Fraser-Moleketi said yesterday.

Up to 50 000 organisations could be affected by the new legislation which was likely to make registration for fundraising simpler and more accessible to NGOs, Fraser-Moleketi said.

Tax benefits for donors were an important issue to be investigated by a technical reference committee to oversee the initial drafting process.

"The existing Fundraising Act of 1979 has been widely criticised by NGOs as being unacceptable and seriously flawed. The legislation is supposed to prevent the misuse of money donated by the public, but instead it controls NGOs by, for instance, taking

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RUTH MOTAU

Damning ANC report on RDP

M+G 17-23/1/97 (297)

Marion Edmunds and Rehana Rossouw

CABINET ministers are likely to come under fire from the African National Congress's senior cadres this weekend over government failings in meeting its most ambitious election promise — a better life for all.

It is difficult to divine how bitter the discussions at the *lekgotla*, which began on Thursday, will be. But senior party leaders in Shell House have come to the meeting armed with reports of apathy among the rank and file.

They are also pepped up by criticism that government has sold out on the Reconstruction and Development Programme (RDP) — an audit Shell House commissioned for the *lekgotla* paints a dismal picture of RDP performance, with most departments judged to have fouled up what was once the central component of the ANC's manifesto.

The Cabinet and premiers have been promoting growth strategies, wrestling with government structures and extending influence overseas.

Shell House, meanwhile, has been watching the slow decline of party spirit, and the loss of commitment in the larger constellation of civil organisations which once made up the Mass Democratic Movement (MDM) — the volunteer workforce the ANC is going to have to mobilise for the 1999 elections.

"The MDM has been run down and is battling to redefine itself. The problem is that a weak MDM is essentially a weak ANC," said a senior Shell House source.

One of the points to be discussed at the *lekgotla* is the revival of the MDM, with and through the revamping of the RDP. It is expected that Shell House leaders, Cosatu and South African Communist Party representatives will call on Cabinet ministers and provincial leaders to demonstrate that they are creating jobs, providing electricity and redistributing wealth.

Authors of Shell House's damning RDP audit blame the Finance Department's growth strategy for eclipsing the ANC's RDP goals, and crushing its spirit. The audit is expected to be played as a tactical card, and not necessarily thrown down as a challenge to those in Cabinet. However, senior officials hope to jump on the defensiveness of Cabinet to bolster the cause of the RDP so it can be used to motivate the masses.

A Shell House source said this week: "We want to take seriously the new spaces that open up and encourage the people to assume a lot of responsibility — local government is one such space. We hope to introduce participatory budgeting so that people have input from the townships and the community understands the restraints on resources ... We must become active in community policing forums. There was a time when we mobilised the people against crime, but now it's Pagad, mobilising against the ANC in government ...

Another worry to Shell House is the weakness of branches, financially and in terms of membership. Numbers of paid-up members have fallen since 1994. Shell House sources say many who joined in 1994 have failed to renew their membership, either because they had forgotten or because they thought it was a one-off payment.

It is not expected that any province has paid up membership of more than 100 000, with the North-West and the Western Cape climbing to 40 000 each, and Gauteng pegged at about 50 000.

Meanwhile, the Pan Africanist Congress says it is not sold on the idea of a coalition with the ANC and is committed to remaining in opposition to the ruling party until the 1999 elections.

PAC general secretary Michael Muendane, who was part of his organisation's delegation to a meeting with President Nelson Mandela on Wednesday, said the party was sceptical that it could be offered a senior Cabinet position.

"I don't think the PAC is in any mood right now to join the Government of National Unity in a junior role, and I don't think at the end of the day the ANC will agree to give us a senior Cabinet position ... We are not focused right now on a seat in the Cabinet, we are going into government into 1999 and we are too busy right now to get bogged down in such practicalities."

Muendane said the PAC was more concerned with a demand raised in the meeting that PAC members be included in South Africa's civil service. The PAC wanted its members in the foreign service, the defence force, the intelligence service, the police and the prisons service.

The National Party has once again declared its intent to forge new political alliances, this week declaring 1997 the year in which it would "brake [sic] the ANC's present domination". The party vowed to do the same last year.

A NP executive committee *bosberaad* decided it would seek cooperation with other parties, community leaders and community organisations with the goal of establishing a new political party. "The NP's objective of providing a stronger alternative to the ANC is based on our conviction that the ANC has abandoned the country's voters," said a NP statement.

It said it would approach "all leaders with whom the NP has potential common ground" to restructure the political playing field. The Democratic Party and Inkatha would be first on its list.

Taiwan to withhold aid during SA negotiations

CT 21/1/97 (364A) (297)

OWN CORRESPONDENT

PRETORIA: Taiwan will continue to withhold millions in aid as an ace up its sleeve during negotiations with South Africa on the future relationship between the two countries.

"Once an agreement has been reached on how to conduct our future relationship, all these suspensions will be removed immediately," Taiwan's Foreign Minister, Mr John Chang, told a press conference here yesterday.

Taiwan last year suspended 36 treaties and agreements and a number of aid projects into which it had already pumped millions of rands in protest against SA's announcement it was to sever ties with Taiwan in favour of mainland China.

Chang was speaking after a meeting with his SA counterpart, Mr Alfred Nzo, at which the agenda for the negotiations was set.

"The first negotiation on the future of our relationship was very candid, frank, very constructive and very useful ... Although we did not reach any concrete conclusion or any reasonable consensus on many issues, we have successfully laid down the foundation for future talks," Chang said.

Chang said no agenda or location had been set for future talks yet, but said these would be lengthy. He said talks might even take place during the year in Taipei.

Chang returns to Taiwan today, leaving the negotiations in the hands of Taiwan's ambassador to South Africa, Mr I-Cheng Loh, who is the longest-serving diplomat in Pretoria.

Top NGO hit by loans row

M+G 24-30/1/97 (297)

Independent auditors have been called in to examine the Educational Opportunities Council's accounts, following reports of mismanagement, writes Andy Duffy

ONE of the country's top funding organisations for students has been hit by allegations of mismanagement, with its chief accused of lending donors' cash to her closest friend.

The Educational Opportunities Council, which channels about R6-million a year — most from USAid — to students, has already called in independent auditors to investigate its accounts.

Its board of trustees, which includes Truth and Reconciliation Commission chair Desmond Tutu and top businessman Nthato Motlana, has also been summoned to an emergency meeting to investigate allegations laid by disgruntled middle managers.

The allegations centre on R180 000 the non-governmental organisation (NGO) transferred late last year from a bank account established for donations from United States group Kellogg into a separate administration account.

The cash was spent on a new car due to executive director Eleanor Molefe and a near R68 000 loan to her friend and the council's personnel manager, Puleng Zulu.

Board of trustees chairman Hazel Moolman said on Thursday preliminary investigations last weekend by auditor Ernst & Young suggested the switch in funds between accounts was above board, and done at the suggestion of its banker, First National Bank. Sources in the NGO's finance department deny this.

But Moolman added Molefe had circumvented internal procedures to give Zulu the loan, and had failed to seek permission from the trustees. The NGO has a floating housing loan account of R50 000, and offers short term loans to employees for emergency expenditure such as hospital bills. Zulu spent the money on a new car. Moolman said Zulu was repaying the loan, and paying interest on it.

Moolman said she remained confident of Molefe's integrity — she has been with the organisation for several years, and took over as executive director in 1995.

But the board of trustees would be questioning her over the loan, and other staff allegations against her management.

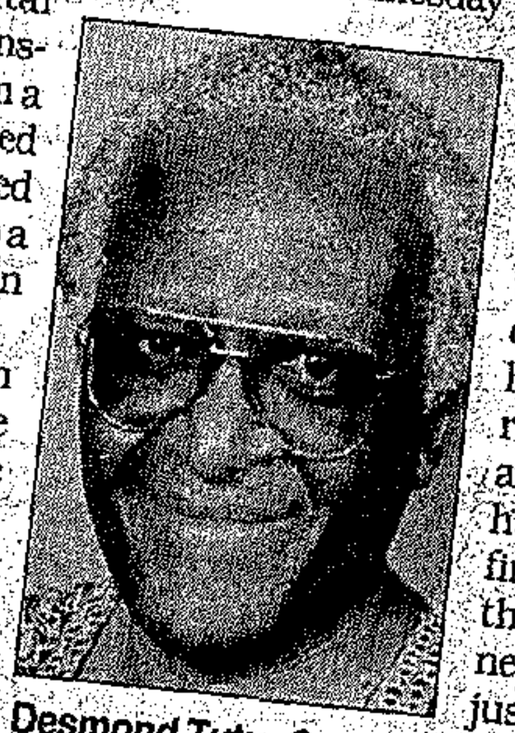
"Molefe will be chastised," Moolman said. "To say there is a clique within the council is going a bit far. But obviously staff have grievances and we have to look at that."

Molefe declined to comment, saying board members had instructed her on Wednesday to stay silent pending further inquiries.

But several staff members, speaking on condition of anonymity, told the *Mail & Guardian* there were serious concerns about the NGO's high turnover of staff, recruitment practices and financial controls. It has been without a finance manager since the departure of Kenneth Ndeve in November, just before the R180 000 was transferred. Moolman says the NGO is still searching for a suitable replacement, and that management consultants are standing in.

The NGO, established in 1977, has provided bursaries for thousands of students for study in South Africa and overseas. Moolman says there have never been questions raised previously about its financial controls.

But the timing of the row is poor. Plans to increase tertiary education opportunities are being hampered by lower government subsidies to the sector, which is prompting institutions to slash funding to poorer students.



Desmond Tutu: On the board of trustees

Squabbles tear apart educational council

(297) Star 24/1/97

By Adam Cooke

The Educational Opportunities Council (EOC), a non-governmental organisation that provides scholarships for needy students, is plagued by internal battles.

It is split by allegations of financial mismanagement, an internal investigation, and rifts among management.

The organisation's board of trustees, including Dr Nthato Motlana, St Barnabas College principal Michael Corke and board chairman Hazel Moolman, met the organisation's director and an auditor yesterday .

Moolman said the audit showed there was no financial mismanagement or fraud, but the staff were unhappy.

Among a host of complaints about biased practices and fiddling of company-loan policies, the group of employees claim that R160 000 earmarked for needy students was used to buy two cars in November last year.

Employees, who preferred to remain anonymous, provided documents they claim shows that on November 20, R180 000 was moved from the US-based Kellogg Foundation's account to an administration account.

The employees showed that on the same day, two cars were bought with cash from the administration account – a Ford Telstar for R92 688 for executive director Eleanor Molefe and a Ford Escort for the personnel manager at a cost of R67 766.

The money for the personnel manager was made out as an interest-free loan to be repaid over three years. The employees claim this is against company policy.

Moolman said that the only real impropriety appeared to be the loan, which should have been done with the board's consent.

She said the money was not all from the Kellogg Foundation but had been accumulated in the account from other smaller amounts of money that had been donated.

To simplify the banking system, it had been decided that only the Kellogg account would be used for incoming money, she said.

Kellogg Foundation spokesman Karen Lake said there appeared to be no mismanagement in the most recent annual report, for 1995. "If there appear to be any problems, we will do an audit."

Disabled workers may finally get their place in the sun

(297)

BD 28/11/97

Employees with disabilities are about to acquire a new set of workplace rights, reports JD Verster

NOT only does the new Labour Relations Act prevent employers from discriminating against the disabled, but future legislation is likely to extend these rights by ensuring that employers provide for disabled people in the workplace.

Although at present there is no legislation dealing with equal opportunities for persons with disabilities, Labour Minister Tito Mboweni recently published a green paper on national policy options in relation to employment equity, specifically foreshadowing the introduction of legislation for the protection and expansion of rights for the disabled.

It can be predicted with reasonable certainty that future employment equity legislation will impose a duty on employers to "reasonably accommodate" a disabled worker. This means employers will have to make allowances or provide special services or facilities to enable the disabled individual to perform satisfactorily.

The case law on what is known as "reasonable accommodation" has not yet been developed in SA. However, guidance may be found in the Australian and US anti-discrimination law for people with disabilities. Here "reasonable accommodation" refers to employers' civic duty to implement measures to adapt workplaces and work premises, and to provide auxiliary aid and equipment to workers reasonably requiring such accommodation.

Steps that employers might be expected to take would involve alterations or adjustments to policies and practices.

The employer might thus accommodate a disabled worker by allocating some of the disabled person's duties to another person, by altering the disabled person's working hours or by assigning the disabled person to a different place of work.

Where disability prevents a newly disabled employee from continuing to perform existing job functions, a reasonable adjustment might involve transferring the disabled person to fill an existing vacancy. When used in tandem with the provision of unfair dismissal law, this might provide newly disabled workers (or workers with a deteriorating disability) with a measure of tenure or employment security that would not otherwise be available in case of ill health and incapacity.

The "reasonable employer" might be expected to allow the disabled person to be absent during working hours for rehabilitation, assessment or treatment. A reasonable adjustment might call for giving (or arranging to give) more special training for the disabled.

By far the most usual forms of accommodation many employers already practice — and often costing little or nothing — involve acquiring or modifying equipment, modifying instructions or reference manuals, modifying procedures for testing or assessment, providing a reader or interpreter, or providing more supervision, as in the case of a worker with mental or learning disabilities.

Employers are clearly permitted to engage in a cost/benefit analysis when judging the reasonableness of an adjustment.

One of the objectives of the act is to give effect to the public international law obligations of SA relating to labour relations. In this context it seems likely that any future employment equity legislation regulating disability matters will be drawn up with reference to the United Nations standard rules.

In terms of the new Labour Relations Act, employers will have to avoid practices that may directly or indirectly discriminate against applicants with disabilities.

Employers will be prevented from screening out any particular group of applicants. Thus advertisements including statements such as, "the position requires a physically fit and agile individual", should be avoided. A job application form and any responses to initial inquiries should not require applicants to disclose health, medical or disability information, since this question is likely to be interpreted as indicating an intention to discriminate on the ground of disability.

An application form should restrict its questions to:

- Whether or not an applicant would be able to perform the essential functions of the position, and
- Whether the applicant has the necessary educational, technical or professional qualifications to perform the essential functions outlined in the job description.

Discrimination is permissible only if it can be justified with reference to the job's inherent requirements. It would be permissible for an employer to specify the essential job functions and directly ask applicants if they can perform these functions. It would be inappropriate for an employer to ask, at this early stage in the procedure, whether an applicant has any liability which would be limiting in terms of the job functions.

Verster is a labour lawyer with Webber Wentzel Bowens.

State starts to release RDP funds

ET(BR) 30/1/97

THABO LESHILO

(297)

Johannesburg — The government, with an eye on the 1999 elections, was earnestly beginning to release funds for its reconstruction and development programme, Jacques Magliolo, a financial author and investment strategist, said yesterday.

He said the government had already used or had set aside more than R4 billion for electrification, rural upgrading, land reform, community centres, housing, public works and other projects. Nevertheless, the amount fell short of the R145 billion the government had earmarked for use by 2000.

"However, this is the start of RDP funds flowing, and we believe that this flow will get stronger over the next few months," said Magliolo, who works for the broking firm CA Miller de Kock.

He said the government had encountered several obstacles in implementing the reconstruction and development programme, which was created by Cosatu and became the party's election manifesto in 1994, promising rapid improvement in people's lives.

The problems included insufficient lead planning time, the lack of skilled project managers, the introduction of new financial procedures, widespread consultation and unsuitable tendering processes.

Magliolo suggested the chief reason behind the lack of progress on the RDP was that the ANC "had subjected the programme to its political agenda.

NGOs give support to psychiatric facilities

BD 30/11/97 (297)

Kathryn Strachan

IN A cramped Zozo hut adjoining Soweto's Orlando health care clinic, nurse Florence Makobanyane treats almost 900 schizophrenic patients each month. The facility never sees a doctor, and she is the only nurse available to support the overwhelming number of severely disturbed patients.

Orlando is one of the six Soweto clinics with a psychiatric service. Under very similar conditions, the psychiatric facilities treat more than 5 000 schizophrenic patients in the township.

Without adequate staff and faculties, there is no one to follow up and check that patients are taking their medication — which means they very often relapse into psychotic episodes.

As the health department's scarce resources allow for very little in the way of community-based psychiatric services, the task has fallen on the nongovernmental sector to fill the gap. In Soweto clinics, the state has provided the facilities and the medicines, and nongovernmental organisations such as the Talisman Foundation, raise funds to pay nurses' salaries.

Clinical psychologist Alison Newton, who runs the Talisman Foundation's outreach into Soweto, said the focus was moving towards rehabilitation and integrating patients into the community, rather than the situation where patients were locked up and given medication.

She said attempts were now being made to establish daycare workshops to give patients sheltered employment and allow them to become self-sufficient.

Foundation psychiatrist Frans Korb said that while business had accepted physically disabled people, it was still closed to the mentally disabled world, and it was only through raising awareness in the business sector that the stigma attached to mental illness would go.

Truth body to probe medical profession

Stephen Laufer

THE role of doctors, nurses and other medical staff in perpetrating, colluding with or preventing human rights violations under apartheid would be the subject of a special truth commission hearing in mid-June, commissioner Wendy Orr said yesterday.

One of the special submissions planned was on the death in detention of black consciousness activist Steve Biko in 1977. Two doctors called in to examine him were found guilty by the SA Medical and Dental Council of professional misconduct.

The council and the Medical Association of SA (Masa) had employed researchers to go through their archives and help draw up submissions. BD 30/11/97

The Democratic Nursing Organisation of SA and the Psychiatric Association would make submissions, as would the national department of health. Individuals were also invited to make submissions, Orr said.

The willingness of a wide range of medical organisations to co-ordinate submissions to the truth commission stood in marked contrast to the failure of journalists to agree on how to examine the role of the media under apartheid.

Orr praised Masa for recruiting doctors willing to provide free treatment to victims of violations. Referrals were made by the commission's Cape Town office.

Comment: Page 11

NGO coalition negotiates to set up investment company

(297) BD 31/11/97

Shareen Singh

The SA National NGO Coalition was in the advanced stages of negotiations with four financial institutions to set up an investment company owned by nongovernmental organisations (NGOs), executive director Kumi Naidoo said this week.

The coalition was exploring various options, including equity participation by a financial institution in exchange for seed capital, and Naidoo said a partnership could be formed soon.

Naidoo said the developmental nature of the coalition made it attractive to investors. "We realised in the negotiations that while we do not have financial capital we have social capital, which gives us a competitive edge," he said. The coalition had been approached by several consortiums proposing joint venture initiatives, including a consortium bidding for a private television licence.

Naidoo said the coalition did not intend raising finance from its 6 000 members at this stage. "We are hoping to raise capital by harnessing creative partnerships with institutions and strategically participating in joint venture initiatives. When we reach the stage where we can add value to the investment company, we will involve NGO members more directly," he said.

In the short term, the coalition would look at creating a single pension or provident fund for all NGOs, a unified medical aid scheme and a funeral benefit scheme. Naidoo said that the approximately 20 000 NGOs would benefit significantly from a more rationalised system. Harmonising benefit schemes would reduce administrative costs and accrue higher returns which could be used to provide housing loans for NGO staff members.

The immediate objective of the coalition was to ensure that those NGOs that were cash-strapped survived. In the longer term, it was envisaged that NGOs would be in a position to invest in the development projects they operated.

The coalition was also considering starting an investment fund to be used by individual organisations investing amounts ranging from R500 upwards with a minimum investment period of one month. Returns on such a fund would exceed a high interest bank account.

NGOs develop code to rectify tarnished image

297
BD3111197

Mboneni Mulaudzi

MORE than 900 nongovernment organisations (NGOs) were in the process of developing a self-regulatory code of ethics, to be made public in March, the SA National NGO Coalition said yesterday.

The code, which was prompted by Allan Boesak's case — due to be heard in April — was to counter the public impression of bodies that were "at times tainted by the mismanagement of a few who allegedly abuse or mismanage funds".

Nongovernment bodies needed to transform as there had not yet been any transformation of their internal structures. They were neither transparent nor accountable to the public, the coalition said.

The initiative started with the Western Cape NGO Coalition, which subsequently received the full backing of the SA National NGO Coalition.

Sally Timmel of the University of Western Cape's southern African development programme was co-ordinating the responses to the two-page draft code.

The preamble of the code states that money donated to NGOs for the good of communities, as well as the bodies' time and assets should be treated as public trust.

According to the coalition, the code included agreements on finances, time, role of boards and staff, use of assets within the organisation, affirmative action and community input.

Rethinking development

We have to focus on a community's social capital if we wish to achieve sustainable growth in South Africa, writes XOLELA MANGCU

ST 2/2/97

(297)

THE new government's achievements are invariably measured only in terms of delivery: the number of houses built in a given period — usually a year — for example. Even the government's critics share in this preoccupation with numbers.

While I agree that there is a place for technical quantification, an exclusive focus on delivery has a number of serious shortcomings.

First, any failure to meet targets is bound to be interpreted as reflecting either a lack of commitment or incompetence.

While setting targets can be a way of holding politicians and government officials accountable for the promises they make, surely there are more realistic and therefore more responsible means of holding them accountable.

A more deliberative and interpretative approach to policy making could avert the frustrations that might result from failed expectations.

By exposing the constraints on the government's policy to deliver, such an approach would also save policy makers from the laudable but mistaken desire of having to solve generations of problems in a few years.

It is probably better to invest in people's capacities to participate in development than to pursue a self-defeating approach of near-permanent quick fixes that are likely to be neither effective nor empowering.

Second, emphasis on the delivery of goods and services to poor communities can be disempowering and paternalistic if divorced from the issues of cultural and institutional development in civil society.

As Harvard University's Cornel West puts it: "People, especially poor and degraded people, are also hungry for identity, meaning and self-worth." The international development field is only now beginning to explore indicators of cultural and social empowerment.

We need to pay more attention to the role of civic institutions. As yet another Harvard scholar, Robert Putnam, notes: "Although we are accustomed to thinking of the state and the market as alternative forms for solving social problems, both states and markets operate more efficiently in civic settings."

Third, the language of delivery could produce a consumerist conception of development in which both the government and the private sector are seen as the sole sources of livelihood.

And this at a time when there is worldwide disenchantment with how governments and markets often undermine the sense of community that is essential for comprehensive and sustainable development.

The phenomenal growth of community-based development organisations in countries such as the US illustrates the need to make up for this loss of civic solidarity.

Even though many of these organisations started out building houses to justify their existence to both their funders and their clients, some of them have recently begun focusing on "community building".

This means going beyond the concern with material needs to an assessment of the cultural and social networks that make up a community's social capital — a concept that is a necessary and timely complement to the exclusive focus on financial capital as the basis of community revitalisation.

It is the long-term cultural and institutional aspects of South African society which need to be put at the centre of the development agenda.

In the long run it is the quality of South Africa's civic culture — broadly defined to include religious and educational institutions — that will determine the quantity and quality of national economic development.

Fortunately, we don't have to reinvent the wheel to revive this civic consciousness.

The best exposition of a progressive civic developmentalism in South Africa was developed by the late Steve Biko in the early 70s.

Although his ideas about self-reliant development were designed for a black community that was under siege, the principles themselves are universal.

It is by recognising the universal significance of our civic experience that we can both borrow from and contribute to an even more vibrant civic democracy.

Or as Princeton scholar Michael Walzer observes: "Only a democratic state can create a democratic civil society; only a democratic civil society can sustain a democratic state."

Similarly, only a civic developmentalism can yield true empowerment; only an empowered civic community can sustain development.

● *Dr Mangcu has a PhD from Cornell University*

Government wants to cap lottery fortunes

ST (BT) 2/2/97

(297)

GAMBLING ETHICS

By THABO KOBOKOANE

THE government is looking at ways of capping the profits of a national lottery following public criticism of huge lottery earnings in the UK.

"There is a feeling that capping profits is important, but the lottery must remain commercially viable for its operator. This is to avoid controversies sparked by the UK lottery, run by Camelot," a highly placed source said.

Although the Lotteries Bill presented to parliament last year does not provide a breakdown on proceeds, it is generally accepted that 50% of turnover should go to prize money, 35% to good causes, 10% to operational costs and marketing and 5% to operators.

"If turnover is low, this figure may not be an issue, but if it is high, say R4-billion, then 5% could present publicity problems," says the source.

Camelot last year announced record sales of £5,2-billion in its first year of operation. About £1,4-billion was channelled to charities, but the operators were criticised for making too much money.

A decision will be taken once a team of consultants has undertaken extensive feasibility studies on the potential value of a lottery.

The lottery licence is expected to be awarded in 1998, but the race between bidders is hotting up.

Many major operators are thought to have shown interest in the lottery, including the Greek-based Intralot, Swedes Essnet and the French state lottery operator, International de Jeux.

UK-based Littlewoods is said to have held discussions with Independent Newspapers and the National African Federated Chamber of Commerce. Sources have indicated the group has quietly withdrawn from the scene.

International Lottery and Totalisator Systems, which provides an on-line system for the Royal Hong Kong Jockey Club, has spoken to everyone, and is "keen to get in bed with Don Ncube's Real Africa Investments".

Tim Groth, vice-president of technical operations at ILTS, said the ILTS board would be in South Africa in February to make presentations to interested parties.

Other groups that have been linked to ILTS include Opus Investments, whose shareholders comprise Games Africa, Nail and Thebe. The group is "desperately trying to get the Post Office on board, to no avail".

G-Tech, one of the key players in the UK Camelot consortium, is in talks to join Opus Investments. Meanwhile, Games Africa announced on Friday it had won the licence to run "scratchcard" gaming in Zimbabwe and that it was poised to win the contract to run that country's lottery. Bidding for the lottery would start in about two months time.

Richard Biesheuvel, Games Africa's deputy managing director, told Reuter it had secured the scratchcard contract six months ago, and had been finalising details. Biesheuvel said Games Africa, which already runs South Africa's scratchcard lottery, may soon announce a move into other gaming activities in Zimbabwe, although he ruled out a bid for casino gambling licences, which are currently being awarded.

Code of ethics aims to regulate NGOs, counter abuse of funds and mismanagement

(297) Star 3/2/97

More than 900 non-governmental organisations are drafting an ethics code to try to increase accountability and to counter the impression that NGOs are always mismanaged and their funds abused.

The South African NGO Coalition said the "self-regulatory" ethics code had been given impetus by the impending case of Dr Allan Boesak, which is expected to start in April.

The executive director of the coalition, Kumi Naidoo, said there was a need for the hundreds of organisations across the country, which dealt with both government and foreign-donor money, to regulate themselves through mechanisms such as external independent audits.

"Often – not always – when there is financial mismanagement among NGOs, it stems from financial incompetence rather than active fraud," Naidoo said.

He said there was growing concern among NGOs that the transformation of their own internal structures to become more transparent and accountable to the public had received little attention.

Naidoo said the code of ethics, to be made public next month, included agreements on finances, time, the role of boards and staff, the use of assets within the organisation, affirmative action policies and community input.

The code was initiated in the Western Cape and is to be driven by the coalition nationally. It will now be taken to other provinces for comment, discussion and agreement.

"This code of ethics is a statement to the world that South African NGOs are serious about maintaining the highest standards in their work to eradicate poverty and suffering in South Africa," Naidoo said. – Staff Reporter.

Ethics code for NGOs

(297)

3/2/97

OWN CORRESPONDENT

ET 3/4/97

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NEW AGREEMENT

SA to receive R400m aid from Sweden

(297)



STOCKHOLM: A high-powered Swedish government and trade delegation is set to visit South Africa later this month, Political writer **HENRY LUDSKI** reports.

CT 4/2/97

SOUTH AFRICA is to receive a further R400 million in aid from Sweden to tackle critical areas such as public administration and urban development.

Details of the comprehensive aid package, to "promote democracy and good governance", have been announced here by the Swedish Foreign Ministry.

The co-operation agreement — to be signed two weeks from now during the visit to South Africa by Sweden's King Karl Gustav and Queen Silvia — aims to help build the necessary platform to take the continent's newest democracy into the next millennium.

The generous support to the ANC-led government once more serves to reflect the growing commitment to keep alive the spirit of a special relationship which grew out of a 30-year struggle to put an end to apartheid rule.

Sweden's Deputy Foreign Affairs Minister, Mr Pierre Schori, described the agreement as the manifestation of a new-millennium of open development after decades of clandestine support.

It was now important to consolidate the victory against apartheid and "extremely important" to take co-operation between the traditional allies to a higher plateau, said Schori, who described his country's opposition to apartheid as Sweden's "greatest" foreign policy success.

Schori will be part of a high-powered government and trade delegation that will accompany the royal couple on the three-day visit to South Africa later this month.

Budding entrepreneurs are set to benefit from the agreement, which is also aimed at promoting South Africa's small and medium-sized businesses.

The urban assistance programme will be focused mainly on providing financial assistance to new home owners in poor areas.

The reshaping and reform of the public administration is viewed as another critical area of support.

The latest Swedish grant will bring the total support to South Africa's government since 1994 to more than R800 million. Swedish support of the ANC between 1972 and 1993 totalled about R2 billion.

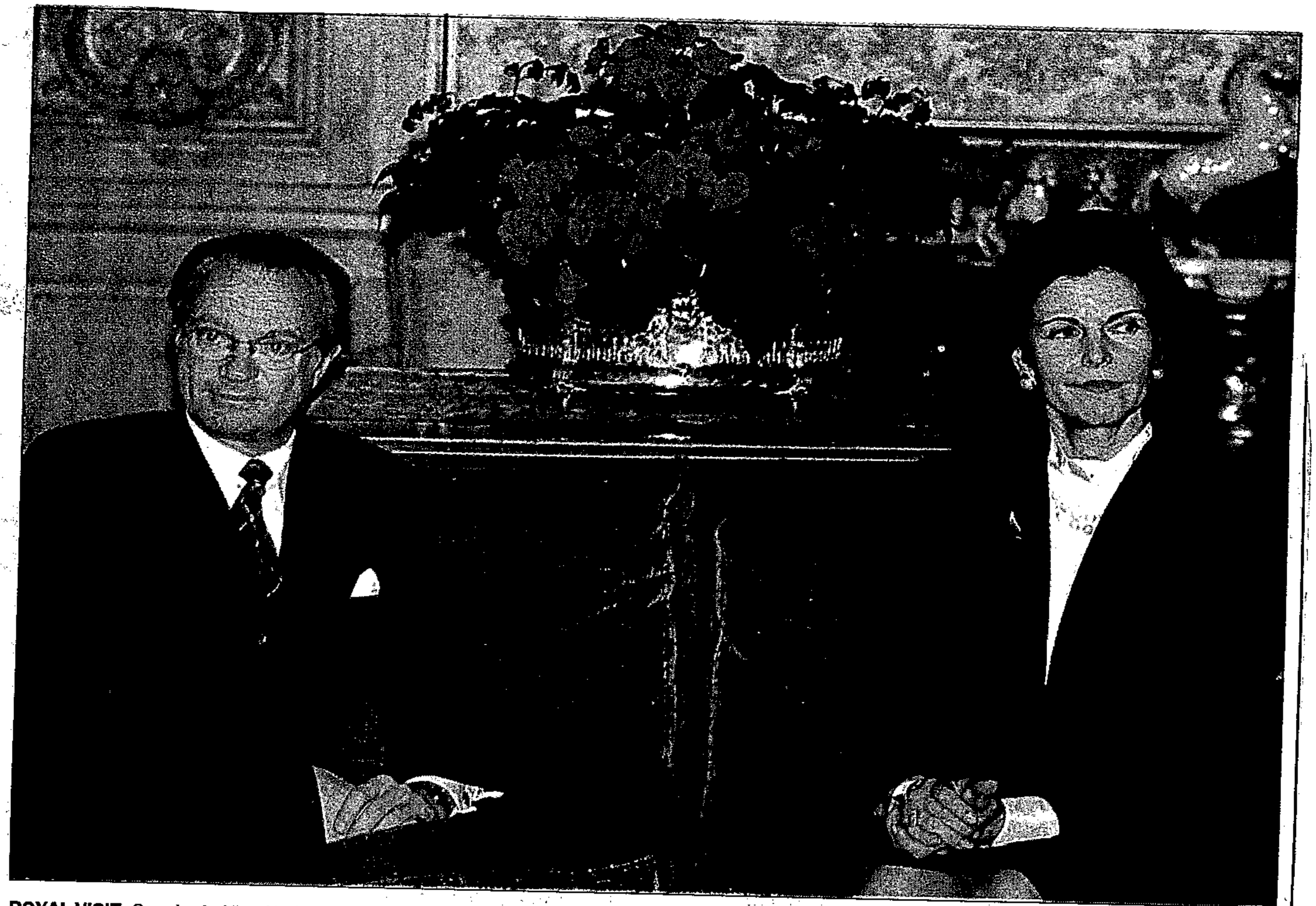
The Swedish visit is also aimed at strengthening trade relations between the countries. Sweden, however, has received the lion's share of the bilateral trade, which surged dramatically after the lifting of sanctions in 1993.

The Swedes, who to date have already made considerable inroads into the South African telecommunications industry, also see the mining industry as a potential market for specialised equipment.

South Africa, on the other hand, with exports limited mainly to raw materials and agricultural products, has experienced a levelling off of trade with their Nordic partner.

Swedish Trade Minister Mr Bjorn von Sydow ascribed South Africa's poor performance to its concentration on the export of agricultural products.

He said South Africa's economic potential could be best realised through a rapid shift towards the production of industrial goods and technology, and added that while he personally had a preference for certain South African agricultural products, he did not believe that it would make a significant contribution to the country's GDP.



ROYAL VISIT: Sweden's King Karl Gustav and Queen Silvia at Stockholm Palace. The couple are to accompany a government and trade delegation to South Africa later this month.

PICTURE: GUUNER ERHAN

Move to give welfare only to poorest opposed

(297) MG 31/1—6/2/97

Marion Edmunds

THE Welfare Ministry faces mounting opposition to its recommendation that state maintenance payments — which under apartheid were available only to white and coloured mothers — be limited now to the poorest of the poor.

The recommendations, which came out of last year's report by the Lund Commission, were well received at the time by advocates of fiscal discipline. But it has come under increasing criticism by a number of organisations and non-government organisations who say that the Welfare Department and the Cabinet should reconsider their priorities before eliminating a programme upon which whole communities have become dependent.

Under the current system, poor mothers of two or more children receive as much as R700 a month. Because of past practices most of the recipients are coloured or white; only a fraction of the black women eligible for the grants are receiving them.

Welfare Minister Geraldine Fraser-Moleketi has said that though the poorest children live in the Eastern Cape, KwaZulu-Natal and the Northern Province, most of the grant money has been funneled to the Western Cape.

In an attempt to keep within a reasonable budget — R1,65-billion for the 1996/97 financial year — the Lund Report recommended that the state adopt a system that would grant less money to more people. Every eligible child under nine years would receive R125 a month, costing an annual R2-billion.

Cabinet has yet to decide on when to adopt the proposals, but it is expected the process will start from mid-year, phased in over the next decade.

Organisations such as the Black Sash, the Gender Project at the University of the Witwatersrand, the Centre for Socio-Legal Research at the University of Cape Town and the Women on Farms Project have called for public hearings to express their concern, not only about the report, but also about the Cabinet's priorities.

They have called for the Cabinet to keep promises made in the Redevelopment and Construction Programme, in the White Paper for Social Welfare, and the Bill of Rights in the Constitution.

Among those opposed to the recommendations of the Lund Report is Sandy Liebenberg, a senior researcher at the Women and Human Rights Project at the University of the Western Cape.

"We are deeply concerned that the extension of these grants to all beneficiaries should entail that the substance of the benefits be drastically cut," she wrote in a letter to Fraser-Moleketi.

"The implication of these proposals is that vulnerable and disadvantaged women and children in South Africa will bear the costs of remedying past injustices. Social assistance should be one of the priority areas of government spending."

Claudia and Dirk Haarmann, of the Institute for Social Development at the University of the Western Cape, did research for the Lund Commission. They have expressed concern that many of the mothers they interviewed in rural coloured areas would be among those deprived of government help.

They described women farm workers in Ceres "who work seven days a week, earning R10 to R35 a day. They are fighting on one side with the farmer and on the other to get the money from the welfare office.

"They say they spend the welfare money on school fees, uniforms and food for the children. They say they beg for bread in the last week of the month, because even with the grants there is not enough for the family."

Black Sash has also sounded the alarm by distributing 4 000 pamphlets to organisations around the country about the current system and the implications of the Lund recommendations.

There have been reports that some politicians, sensitive to criticism that the government has sold out on the RDP, and with the next elections in sight, are hesitant to implement the Lund Report recommendations. But even in the face of vocal opposition, reports from the African National Congress's recent *lekgotla* indicate the Cabinet, intent upon maintaining a trim budget, is unlikely to pump more money into welfare.

Meanwhile, the government has yet to implement a proposed moratorium on new mothers signing up for the current maintenance grant system. Most of the new applicants are black, and it would be unconstitutional to exclude them at this point.

The politician facing the worst political fall-out from the Lund proposals is the MEC for health and welfare in the Western Cape, Ebrahim Rasool. But Rasool says he supports the Lund Report because its primary objective is to break away from patterns of racially discriminatory welfare payments.

EU gives R20-m grant to NGOs

(297) Sowetan 6/2/97

By Isaac Moledi

THE European Union will today announce an injection of more than R20 million to finance 48 non-governmental organisations and community-based organisations in South Africa.

The R20,3 million grant, to be channelled through the Transitional National Development Trust (TNDT), follows the EU's R81 million it granted to the organisations in June 1996 to facilitate and help in capacity building regarding the country's reconstruction and development programmes.

The EU, which has been working closely with NGOs and CBOs, says its experience in South Africa and the rest of the world underlines that success in reconstruction and development depended on the active involvement of civic society at all stages of the development process.

Head of the European Commission in South Africa Ambassador Erwan Fouere, said the EU was confident that the TNDT will play a vital role in stimulating the capacity of the NGOs and CBOs.

EU to hand over R20,3m

(297)

Nomavenda Mathiane

20/6/97

AS PART of its continued support for civic society, the European Union (EU) will grant R20,3m to the Transitional National Development Trust — money which will benefit about 48 nongovernmental organisations (NGOs).

Head of the delegation of the European Commission in SA Erwan Fouéré, who will present the cheques, said his organisation was confident the development trust would play a vital role in stimulating the capacity of NGOs and community-based organisations to support the government's reconstruction and development programme.

The cheques will be presented to the Harvey Cohen and Brits training centres at a function in Johannesburg today.

MAIL & GUARDIAN
February 7 to 13 1997

NGO loses in court — but won't pay up

M+G 7-13/2/97 (297)

An NGO which has been involved in drafting a code of ethics for the sector is in the spotlight for other reasons, reports **Rehana Rossouw**

A PRIME mover behind the creation of a code of ethics for non-governmental organisations (NGOs) is involved in a bitter dispute with a former employee, which has dragged his organisation into a costly — and futile — legal and labour relations battle.

The ethics initiative — which has the backing of 900 NGOs across South Africa — is due to be unveiled next month.

It includes self-binding agreements on finances, the role of boards and staff, the use of assets within organisations, affirmative action and community input.

But one of its chief proponents, Willem du Toit, CEO of Umzamo Development Project, a Cape Town NGO, has spent months and thousands of rands fighting a former employee in the industrial and supreme courts.

So bitter is the dispute that the funder of the NGO has suspended further assistance pending an audit report prompted by the former employee's allegations.

Nasiema Isaacs of Ottery in Cape Town, says she has been "fighting Umzamo for justice" for more than a year. Last Friday, the sheriff of the supreme court was sent into Umzamo's offices with a writ of execution to attach goods to the value of R8 500 — money the industrial court has decreed Umzamo owes her.

Du Toit has refused to pay Isaacs until she details what allegations she had made to its German-based funder, Misereor.

Isaacs, who spent nine years with the NGO, said she could no longer bear the exploitative nature of the project and the financial uncertainties of the NGO sector, and last Jaunary offered Du Toit two options. She was prepared to work on a contract basis and get paid hourly, or take a severance package.

After failing to strike a deal, she left anyway. Du Toit refused to pay her a bonus or severance package.

Isaacs approached the Department of Labour which advised her to seek relief from the industrial court. The court ruled last November that Isaacs was entitled to R8 500 and ordered Umzamo to pay by December 15. When it failed to pay, she was granted the writ of execution in the supreme court to attach goods to the value of R8 500.

"I have been victimised and harassed and blackmailed by Umzamo for more than a year," Isaacs said.

Du Toit was not available for comment. However, his lawyer, Richard Brown, said the NGO could not pay her because there were still "outstanding matters".

Brown said Isaacs had made certain "spurious allegations" to Misereor and Du Toit wanted to know what she had said to the company before the money was paid.

"This was not made a condition of payment, it is not something which is included in a court order but it was an agreement between the parties," Brown said.

He said her allegations to Misereor had "put the brakes" on Umzamo's funding. He also alleged that Isaacs had been responsible for some of the problems in the organisation.

Michael Hippler, of Misereor's Africa desk, said Umzamo's funding would be reviewed after the audit report is completed next month.

"The audit will not look at management of the organisation — that responsibility lies with its board," he said.

Hippler declined to elaborate on the financial allegations against Umzamo. "I am unable to give any specific information about what we are looking for in Umzamo," he said. "But you can say that we are in dialogue with them to clarify certain issues."



British high commissioner to SA Maeve Fort addresses SA/British Trade Association members yesterday. Present were ATC chairman Carel de Wet, top, British consul-general Peter Longworth and Sabrita president John Hall. Pictures: ROBERT BOTHA

UK has put money where its mouth is , says envoy

Kevin O'Grady

BD 7/2/97 (297)

BRITAIN was committed to SA's economic success and continued to demonstrate this visibly with massive amounts of investment and aid, new British high commissioner to SA Maeve Fort said yesterday.

Speaking at an SA-British Trade Association (Sabrita) luncheon in Johannesburg, Fort said that although SA had its problems, such as a high rate of violent crime which was a threat to business confidence, it had much in its favour.

The British government maintained close interest in developments in SA and was happy to lend its support to measures which uplifted the social and economic prospects of all SA's people. "There is a genuine interest in your country. A desire to be involved. A desire to help," she said.

This was demonstrated by the fact the British aid programme to SA stood at about R900m over six years and was being used to fund projects in the priority sectors of health, education, small enterprise development and good governance.

Assistance was also being given to the police and customs, in public administration and in land reform and resettlement, Fort said.

Britain was also about to sign agreements for an R11m project to assist the Mineworkers' Development Agency in Gauteng to provide entrepreneurial training to existing and aspiring small businessmen in six rural areas, and for a R5,5m project to help SA policy makers gain access to the latest macroeconomic research, she said.

Campaign targets homeless

Bid to bring street people back into society

ARG 8/2/97 (297)

PAUL OLIVIER
STAFF REPORTER

A pilot campaign has been launched to lift street children and homeless adults out of their misery by providing day care centres and job skills training in an effort to bring them back into mainstream society.

The campaign, launched in Sea Point, has already proved successful. The number of young people living on the streets in the area has been cut from about 60 to 18, and the campaign could now be used in the Cape Town CBD and surrounding areas.

Street children in Cape Town pose a huge social problem and it has been found that children who spend long periods on the streets tend to become criminals, usually because they have to steal to survive.

There is also growing concern that street children and homeless adults are a safety threat. Captour has warned that "there was growing unhappiness" among tourists who feel that street dwellers were "a threat" to their safety.

"The key to the project is the assessment of the homeless to ascertain their ability after rehabilitation to be placed back into the community. This could be done through exploring their skills for job placements and teaching of elementary skills including carpentry, cooking, sewing and gardening," said Heather Tager, who is at the head of the project in Sea Point.

She said the campaign was being sponsored by 18 local businesses. Grinaker Building Cape had donated R500 000, the Sea Point/Camps Bay Round Table R20 000, and the Karos Arthur Seat Hotel had played a "meaningful role" by initiating a successful art project to raise funds.

"A task team was formed with strong role players including the principal of Ellerton Primary School, the senior librarian, members of the beach constabulary, community police officers, a street worker and leaders from the street youth and other volunteers.

"A building in Sea Point has been identified for a day-care centre and it will be multi-faceted, with separate sections for children and adults. Life skills and literacy programmes will be provided by volunteers with the necessary expertise.

"The day-care centre will also provide a drop-in lounge area for use by the homeless with showers and laundry facilities," Ms Tager said.

The assessment will also cover the "ideal" of placing people back within their own families.

Mending family relationships, rehabilitation and re-integration into the community are slow processes and, at the outset, only a few people are immediately capable of receiving skills training or entering a work situation.

Experience in other countries has shown that people who have "lapsed into the depths of despair" have to be made to feel accepted as individuals in order to regain their self-respect and dignity. Programmes involving street people have shown that they respond positively after attending "open-door havens, shelters or centres" where there is a "spirit of acceptance and a caring attitude".

"We will provide nourishing meals, ablution facilities, health care, alcohol and drug counselling, creative activities, literacy and skills training, because it is the only way to give these 'forgotten people' some chance of resettlement. Until such time as full employment and housing for all is a reality, there will be an urgent need for day care centres," Ms Tager said.

> ***'It is the only way of giving these forgotten people some chance of resettlement'***

Cape Town city councillor Chris Joubert said a "holistic man audit" was necessary to determine the magnitude of the problem of the homeless in the Mother City and the surrounding sub-structures.

"What I am keen about is the recently established Central Business District Initiative Action Group, which has identified the problem of street children and the homeless, security and litter in the city. The City Council now has to take the initiative to buy one or two buildings which we will identify this week.

"The Haven Night Shelter, CASP, the Salision Institute, the Homestead and other institutions dealing with the problem of the homeless have all expressed their eagerness to put a workable programme into place. We, as the city council, believe they have the expertise to administer such a programme," Mr Joubert said.

However, he added that if such a programme was launched, "some sort of mechanism must be found to prevent people not making use of the facilities". This could ideally be enforced by a by-law to "enable street people to belong an organisation that cares".

"The importance of counselling by social workers cannot be under estimated. If you choose to live on the streets you'll have to be registered and the project must not only encompass a day and night shelter, but include ways to successfully place the homeless back into society.

"Here the national government must assist us. The homeless, and the children living on the streets, are a national problem, and addressing the issue requires a partnership between the city and the provincial and national government.

"Not one of us can walk away and say: 'It is not our problem'."

Mr Joubert emphasised the danger of underestimating the problem, saying that it was one of the crucial factors in upgrading the city.

"We are talking about upgrading the city and we have taken in the new substructures. With that came the responsibility of caring for our homeless people and the street children, and we should start with Cape Town's CBD, otherwise we can forget the whole exercise of building a better city," Mr Joubert said.

According to Ebrahim Rasool, Western Cape Minister of Health and Social Services, 20 facilities caring for street children were subsidised by the Department of Developmental Social Services in the province, which makes provision for the accommodation of 578 children.

"The notion of clearing the streets is illogical. Facilities cannot just be opened, it must be staffed with trained personnel and for this financing is needed.

"It does seem that Cape Town has sufficient shelters as they are only over-utilised during winter and educational programmes do exist," he said.

He blamed the media for "exacerbating" the problem by insisting that the "problem is becoming like that of Rio de Janeiro, while there are no indicators of this".

He added that due to the problem of the "amount of day-time strollers on the streets of Cape Town" it was difficult to do a head count of the homeless.

The Star ... Wednesday February 12 1997

Economic giants pledge aid to southern Africa

Star 12/2/97 (297)

France and Japan promise to help development of the region

By Norman Chandler
Pretoria Bureau

Two of the world's economic giants have pledged huge amounts to help in the development of the southern African region.

Japan contributed almost R1-million to the Southern African Development Community (SADC) on Monday, while France, as part of an Africa-wide programme, has committed a further R128-million to South Africa alone.

This brings France's total contribution to this country to R463-million over three years.

Japanese ambassador Yoshizo Konishe signed an agreement with SADC executive secretary Dr Kaire Mubuende in Windhoek this week, which will enhance the integration process of the southern African region as well as assist in strengthening human resources development in the region.

The Japanese contribution is the latest in a series over the past few years.

The SADC agricultural research centre was given an unspecified amount to help with training projects and seminars last year, while bilateral assistance was also provided for regional projects in Botswana and Zimbabwe.

Japan has provided assistance totalling to SADC states and has provided experts to help the organisation in regional activities.

France's official Caisse Francaise de Development Group (CFD), which has been represented in South Africa since last year and opened a regional office in Nairobi last week, has provided assistance worth more than R1,1-billion to several countries since last year.

Its latest commitments include about R180-million to the Congo Republic for the rehabilitation of national roads and urban development, R243-million to Gabon for roads, and R174-million in credit to Algeria's local council's assistance fund.

Other loans have gone to Burkina-Faso, Cameroon, Ivory Coast, Guinea, Mauritania, Central African Republic and Senegal.

ANALYSIS

An RDP by any other name will have the same basic principles

(297) BD 13/2/97

To keep its member companies up to date, the National Business Initiative recently commissioned a study into the reconstruction and development programme. NBI chief executive Theuns Eloff gives an overview of the findings

IN MARCH last year, President Nelson Mandela closed the reconstruction and development programme (RDP) office amid concern about its effective delivery.

At the time, there seemed to be few linkages in place to ensure the effective management of programmes. But are there any now? Has a change of location made a difference and has the RDP remained at the centre of government's activities?

Is it possible the RDP has been effectively sidelined in favour of the new macroeconomic policy of growth, employment and redistribution (Gear)?

Some commentators have suggested that the RDP has been relegated to the wings in order to introduce a range of measures aimed at pleasing entrepreneurs.

However, the office of Deputy President Thabo Mbeki argues that the aims of Gear are the same as those of the RDP and that Gear is part of the government's common RDP programme.

While the RDP as a unifying concept might be dead, Gear is probably grounded in the policy development that began in the RDP office. In 1995, the RDP's growth and development strategy was taken over by the deputy president's office and became the national growth and development strategy.

The collapse of the rand in February last year forced government to take urgent measures to speed up the national growth strategy. In June last year, the finance department delivered Gear, which set out a policy framework for economic growth and development.

It is interesting to note that Gear has the same basic principles as the national growth strategy: the need for job-creating growth and the alleviation of poverty, within a responsible fiscal framework.

When the RDP office closed, RDP projects were allocated to relevant departments. How effectively have these departments worked together?

The relocation of the RDP gave the deputy president's office the key functions of economic and policy planning. But there seems to be little co-ordination between the office and the finance department.

In April last year, projects, including the presidential lead projects, were allocated to various ministries. In practice, many of these projects were already located within these ministries and departments. In the process of the changeover, the management services programme was assigned to different departments.

One of the key issues related to the closure of the RDP office was the complicated relationship between the office, its minister and other ministers.

In July 1995, Deputy President Thabo Mbeki indicated that it had been a mistake for government to centralise reconstruction and development in the RDP ministry.

Mbeki said it was not possible for a cabinet minister to tell fellow ministers what to do with their budgets. It is hardly surprising that programme managers are having difficulty in achieving the same.

Part of the reason for closing the RDP office was the cumbersome double-budgeting system.

The separation of the RDP allowed departments to avoid a comprehensive restructuring of their own budgets. The RDP fund — about R7,5bn, or roughly 5% of government's total budget — was created by skimming the top off each department's budget.

The department then had to apply to the RDP office to get a share of the money.

The RDP fund allowed departments to put off reprioritising their budgets. But whether they are reprioritising now is difficult to assess.

Closure of the RDP office was an acknowledgement by government that departments were not reprioritising their budgets and that the RDP mechanism contributed to this problem. The key indicator of how much this has changed will be the next Budget in March.

Reprioritising budgets must ultimately be done in the provinces. Provinces have been given global amounts for items like health and education. The challenge is for them to ensure efficient spending to maximise delivery.

Review

Building a coherent set of government programmes is a complex task. Government estimated rollovers from the last fiscal year would amount to R10bn and a greater amount is expected this year.

While capacity and co-ordination problems still loom large, there has been progress over the last year and the role of the private sector and outside agencies has been significant.



ELOFF

Overcome

Houses are starting to be built. A total of 30 000 houses have been constructed using the government subsidy scheme, while another 139 000 are in production and a further 56 000 are in the planning phases.

Since April 1994, more than 462 000 housing subsidies have been approved by the government.

In January, the water affairs department had 300 water projects planned or in progress. This number has now increased to 800 projects. One quarter of a budget of R1,5bn has been spent.

Capacity problems in managing rural water projects seem to have been overcome by bringing in outside agencies. The department is now using nongovernmental organisations in the delivery and management of RDP water supply projects. Water boards are also getting more involved as implementing agents.

After the RDP office closed, the extension and rehabilitation of municipal services project was moved to the constitutional development department.

Give a loved one something they'd least expect on Valentine's Day.



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Review

Building a coherent set of government accounts in the context of a new system of national and provincial government has been among the finance department's more intractable problems. At present the monitoring of the flow of funds from central government to provinces is very weak.

There is often no link between how provinces say they will spend money and how they do spend it. The budget review committee under Deputy Finance Minister Gill Marcus is examining the problem.

Provincial governments also find themselves in a quandary. The richer provinces face shrinking budgets and cannot service all their programmes. The poorer provinces are getting more money, but do not have the capacity to use the money effectively.

One consequence of provincial capacity problems has been the issue of rollovers — money unspent at the end of the financial year.



ELOFF

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After the RDP office closed, the extension and rehabilitation of municipal services project was moved to the constitutional development department.

As at January 3, last year, approximately 97 projects were in progress. By November last year, more than 400 projects were being implemented or had already been completed.

The private sector was brought in to sort out the infamous primary school nutrition programme.

Following a tendering process, Ernst & Young was awarded a 12-month contract to work with provincial authorities to manage the programme. They are placing management and audit teams in each province and hope to have the project up and running this month.

The RDP's name and shape might have changed, but it remains alive and less ailing than at the beginning of last year.

Problems of lines of authority, effective management and a lack of capacity at provincial and local level are still prevalent. However, the signs of progress are also visible, particularly in areas where partnerships between the state, business and nongovernmental organisations have got off the ground.

Firms 'should rethink social funding'

BD 13/2/97 (297)



RATSHIKHOPHA

John Dludlu

CORPORATE social investment initiatives should cease to be "dispensers of conscience money for the private sector's past sins" if they were to be effective, said a senior official from mining house Gencor.

Speaking at a funders' conference in Nelspruit, Mpumalanga, last week, Gencor Development Trust senior manager Eric Ratshikhopha called for fresh thinking in corporate social responsibility efforts.

He said there should be a shift away from corporate social responsibility programmes striving to portray the "humane side" of business. "They (social investment programmes) should desist from initiating disjointed pockets of so-called development projects which are not tied to any strategy and often parallel and — worse still — are in conflict with the nation's socioeconomic development plan."

Ratshikhopha, whose unit represents Gencor's community development arm, proposed that companies' community development programmes should extend their role to being facilitators of development finance by government and other sources.

Calling for a move away from "endless debates and consultations" to action, he said social investments could be regarded as successful if they enabled previously marginalised groups to "gradually and meaningfully participate in the economy of the country".

While this was a daunting task, the trust was committed to tackling the challenge, he said.

"It is my firm belief that the envisaged development will be short-lived if it does not consciously seek to address the imbalances of the past."

Ratshikhopha also called on the Mpumalanga provincial government to provide an environment that would enable the private sector to play the facilitative role he envisaged.

This could be created in several ways. For example, government could draw up a list of development priorities based on realistic targets; address issues that discouraged investors — such as crime and corruption within and outside government — and provide infrastructure.

He challenged government to be "a fair and unbiased referee to all the players in the field" and to introduce measures, such as a simplified tendering system, which would encourage investors to include local communities in their projects.

Ratshikhopha acknowledged the importance of companies being internationally competitive, but also emphasised the need to involve all the people in the province's economy.

At the conference, the Mpumalanga government unveiled R2,4bn worth of projects and called on the private sector to help fund them.

Old ally comes back

(297) Sowetan 14/2/97

An ardent supporter of sanctions against apartheid South Africa in days gone by, Sweden now steps in to help rebuild the country. **Sy Makaringe** explains ...

FROM ECONOMIC strangulation to economic and social development. This is the message that a high-powered delegation of leading Swedish businesspeople and politicians will bring with them when they visit South Africa next week.

The delegation, which will include Swedish king Karl XVI Gustaf and his wife Queen Silvia, will spend three days in South Africa talking to politicians, Government officials and businesspeople.

It is no secret that Sweden's hostility towards successive apartheid rulers helped deal a devastating blow to South Africa's economy during the years of repression.

When anti-apartheid organisations called for the imposition of economic sanctions against South Africa in the mid-1980s, Sweden was in the forefront of European countries that pulled out their investments and piled on the pressure for change to take place.

While this was happening, its government and its people took the side of the black liberation forces, notably the then outlawed African National Congress, whom they armed with resources, *materiel* and otherwise, to fight the evil and discredited system of apartheid.

In fact, the financial support which the ANC alone received from Sweden and its people between 1972 and 1994 is estimated at between R5 billion and R7 billion, a lot of money by any standards.

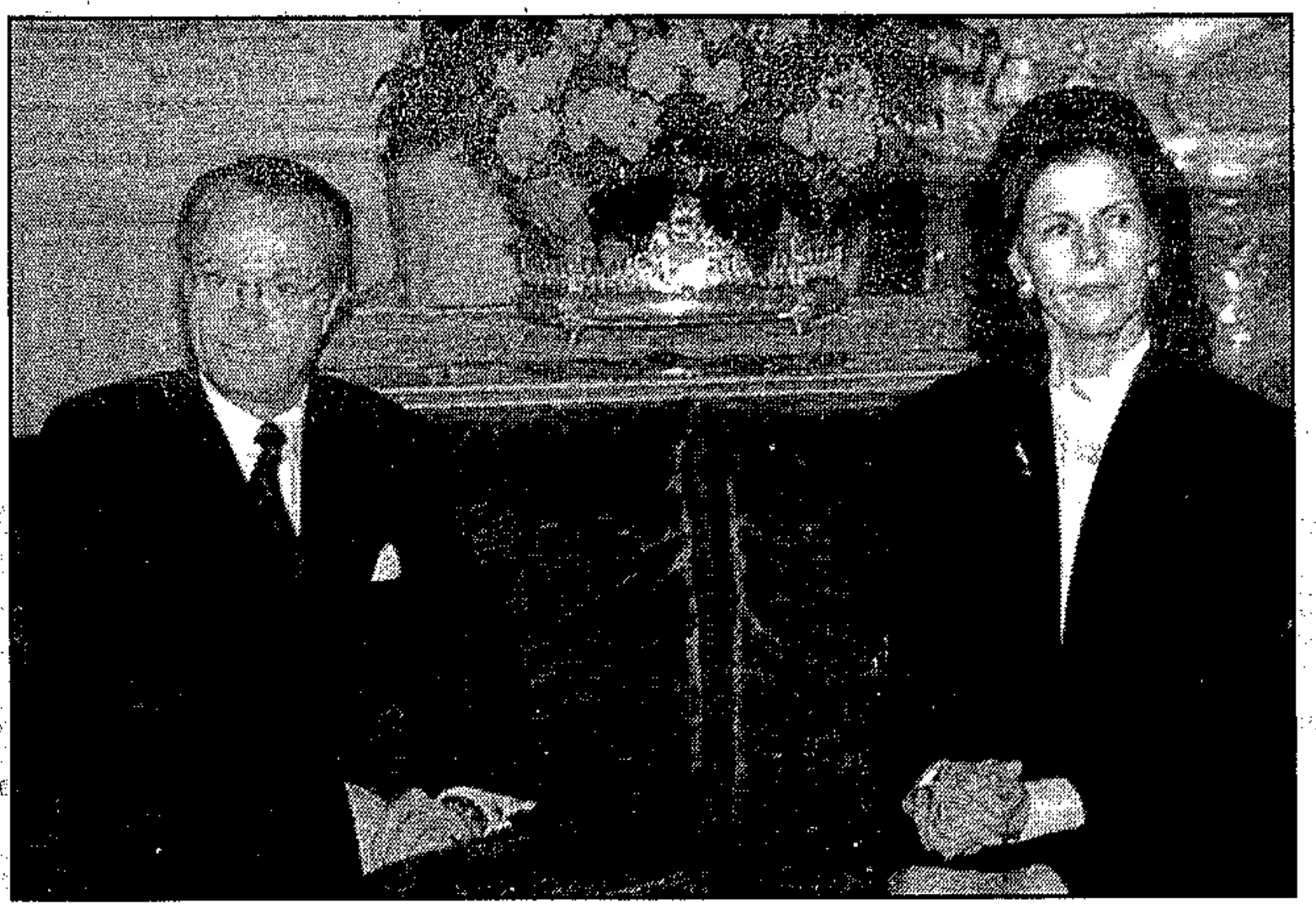
At the same time, the business community, through its support of non-governmental organisations, increased its assistance to disadvantaged communities within South African in the fields of education, healthcare and human rights, to mention but three areas.

Today, almost three years after the installation of a democratically elected government headed by the ANC, there is a different ball game altogether. The relations between the two countries have changed: the ANC is in power and the oppressors are out. There is a new focus and a new emphasis.

The new attitude is summed up by Swedish deputy foreign minister Mr Pierre Schori when he says: "I see it as extremely important to build on all those old links to the benefit of our citizens, trade and culture. We feel it is important to contribute towards the consolidation of your (black South Africans') victory."

The two countries are expected to sign a cooperation agreement, in which Sweden will offer assistance in areas where apartheid's legacy is abundantly evident. These include public administration, urban development and housing, small business enterprises, education, culture and media.

The seriousness with which the Swedes take this visit, the country's first state visit since the advent of democracy in South Africa, is reflected in the eminence of the business leaders in the delegation.



Swedish king Karl XVI Gustaf and his wife Queen Silvia will arrive in South Africa next Tuesday, to spend three days talking to politicians, state officials and business leaders.

The 18-person business delegation consists of the who's who of the Swedish business community, including Mr Sten Langenius, executive president of car manufacturer Volvo; Mr Bjorn Svedberg, chairman of leading telecommunications company Ericsson; Mr Staffan Bohman, president of Alfa Laval Agri, the world's leading supplier of systems and equipment for milk producers; and Mr Goran Ennerfelt, president and chief executive officer of the Alex Johnson group, an international food wholesaling and retailing company with an annual turnover of more than R30 billion and a 20 percent market share in Sweden alone.

Also of note is that these powerful businesspeople represent crucial sectors of the Swedish economy that South Africa can only benefit from. These include engineering, banking, manufacturing and telecommunications.

The quality of the delegation demonstrates the confidence the Swedish business community has in South Africa, described by many in that country as an important economic player in Southern Africa.

Asked whether the high level of crime in South Africa could negatively impact on future investments, Mr Ulf Dinkelspiel, president of the Swedish Trade Council, says: "The problem is there, but it would be wrong to focus on that as a factor that can hold back investment."

He continues: "In fact, in terms of trade we have seen satisfactory developments. Swedish companies which had dealings with South Africa before sanctions are back. More and more are moving into South Africa."

On the question of the future role of NGOs, Schori and Mr Sten Rylander, an assistant director in the Swedish International Development Authority, say their involvement is still crucial in the new South Africa.

But both agree that funding of these organisations will be scaled down as money will now be poured directly into the coffers of Government departments.

In terms of the cooperation agreement, the Swedes are expected to, among other things, work out a basic and appropriate analysis of the South African business sector and the infrastructural and legal framework within which the sector operates.

They are also expected to commit themselves to contributing towards the development of small- and medium-sized businesses. This is an area that, if well developed, will help smooth out the imbalances created by apartheid.

NEWS POLITICS

Plan to slash welfare grants

(297) Sowetan 14/2/97

As things stand most black families do not benefit from state aid at all

Political Reporter

NATIONAL Welfare Minister Ms Geraldine Fraser-Moleketi and her provincial counterparts this week agreed to accept controversial proposals to slash welfare grants to Indian, coloured and white children.

The Lund committee's recommendations – also delivered to KwaZulu-Natal's welfare committee on Tuesday – are expected to raise a political storm.

A contentious move flowing from this is a suggested moratorium on registration under the current state maintenance grant. This means poor families may not be able to apply for subsidies until the new child support benefits come into effect, as late as December.

Ms Francie Lund, a Durban social worker and academic, said a year's research had produced the recommendations, which suggests flat-rate payments for all children regardless of who cares for them.

The existing system is based on an outdated 1920s British social model.

Currently a jobless single parent is entitled to R430 a month from the state, plus R135 each for up to two children.

The new flat-rate subsidy will be around R75 a month a child, regarded as the minimum subsistence level to keep a child in food and clothing.

Planned cuts are acknowledged as harsh. "People getting these grants are poor and they are going to hurt," said Lund.

However, it has been suggested that the old scheme be phased out over five years, with a 20 percent cut each year.

Welfare support – about R1,2 billion a year – is concentrated in KwaZulu-Natal, the Western Cape and Gauteng, home to most poor white, coloured and Indian families. Most black families do not benefit from the grant at all.

Tracking down 'ghost' welfare beneficiaries has saved R240-m

Star 14/2/97 (297)

By Mondli Makhanya
Political Reporter

The Department of Welfare and Population Development saved more than R240-million in the past year through the elimination of nearly 50 000 deceased recipients of welfare benefits from the Government's computers.

Welfare and Population Development Minister Geraldine Fraser-Moleketi yesterday said the discovery of the 46 000 "ghosts" was only the beginning of the crackdown on fraud and corruption which was annually costing the department 10% of its budget.

The ghosts had been exposed in co-operation with the Department of Home Affairs, which had conducted an investigation into its identity document database. She said there were many more ghost beneficiaries in the system.

Fraser-Moleketi was speaking at the release of the final report of the Committee for Restructuring of Social Security, which recommended wide-ranging changes in the country's welfare provision. The task group, headed by Deputy President Thabo Mbeki's special adviser Dr Frank Chikane, discovered there was chaos in the country's welfare system.

Among other things it recommended a "data clean-up exercise" in the national and provincial welfare departments involving the re-registration of all 2,8 million welfare beneficiaries. This would remove all duplicate and non-existent beneficiaries from the system.

"Although investigations confirmed that there are substantial losses due to fraud and corruption, these losses could not be quantified. Armed robberies and hijackings have escalated. There is no reporting procedure in place for armed robberies at payment points and in the transporting of money between pay points. Armed robberies pose a serious threat to staff and beneficiaries, and lead to substantial losses," said the report.

The task group recommended a nationally organised social security system in order to ensure greater uniformity, the simplification of internal disciplinary processes, an improvement in internal and external communications systems, and upgrading of the skills of staff.

Nationally organised system suggested

STATE SAVES R240M

Welfare 'ghosts' exorcised

(297) CT 14/2/97

AN INVESTIGATION conducted by the Department of Home Affairs into its identity document data base has enabled the Department of Welfare and Population Development to flush out "ghost" beneficiaries in the system.

THE Department of Welfare and Population Development saved more than R240 million in the past year by eliminating nearly 50 000 deceased recipients of welfare benefits from the government's computers.

Welfare and Population Development Minister Ms Geraldine Fraser-Moleketi said yesterday that the discovery of the 46 000 "ghosts" was only the beginning of the crackdown on fraud and corruption, which was annually costing the department 10% of its budget.

The "ghosts" had been discovered in co-operation with the Department of Home Affairs, which had conducted an investigation into its identity document data base.

She said there were "many more" ghost beneficiaries in the system.

Fraser-Moleketi was speaking at the release of the final report of the Committee for Restructuring of Social Security (CRSS), which recommended wide-ranging changes in the country's welfare provision.

The task group, headed by Deputy President Thabo Mbeki's special adviser, Dr Frank Chikane, discovered chaos in the welfare system.

Among other things it recommended a "data clean-up exercise" in the national and provincial welfare departments involving the re-registration of all 2,8 million welfare beneficiaries. This would remove all duplicate and non-existent beneficiaries from the system.

The CRSS report pinpoints weaknesses in the administration of the Department of Welfare as the main reason why "fraud and corruption are flourishing".

It says there is lack of uniformity and co-ordination between the provinces — leading to cross-province double payments — and a breakdown in communication between the department and the police.

"Although investigations confirmed that there are substantial losses due to fraud and corruption, these losses could not be quantified.

"Armed robberies and hijackings have escalated. There is no reporting procedure for armed robberies at payment points and in the transporting of money between paypoints. Armed robberies pose a serious threat to staff and beneficiaries and lead to substantial losses," says the report.

There were also no effective internal procedures for investigating and dealing with staff suspected of fraudulent behaviour. This had been left to the SAPS and the criminal justice system.

"The provincial governments often blame the SAPS for their slowness in the investigation, and the SAPS in turn blames the provincial departments for their lack of co-operation.

"Pending investigation and prosecution, a suspect is either kept in employment or suspended on full pay. Both options are unacceptable, given the delays in the investigation and prosecution process."

The task group recommended a nationally organised social security system to ensure greater uniformity, the simplification of the internal disciplinary process, an improvement in internal and external communications systems and the upgrading of the skills of staff.

Fraser-Moleketi said the recommendation of the CRSS, which had been accepted by provincial Welfare MECs, would be implemented in phases from next year. The national social security system would be in operation by the year 2000. — Political Staff

Maintenance to be phased out

POLITICAL STAFF

STATE maintenance grants to 450 000 women and children will be phased out over the next five years and the state is considering placing a moratorium on all new applications for state maintenance, Welfare and Population Development Minister Ms Geraldine Fraser-Moleketi said yesterday.

During a parliamentary media briefing, Fraser-Moleketi said the whole process of state maintenance was being reformed so that state maintenance to previously disadvantaged communities could be extended.

She said her department was also working closely with the department of justice to review the maintenance court procedure. Once this had been achieved, present state beneficiaries would come off the system.

Fraser-Moleketi said her department's main focus was to follow the child through the system and that men would have to take full responsibility for their children.

Proposal on social security

(297)

CAPE TOWN — Social security payments must be made on a nationally organised basis, an investigative committee has recommended to government.

Such a system would be more cost-effective and easier to co-ordinate, would make it easier to detect and contain fraud, and would lend itself to the future devolution to the provinces if necessary, the committee for restructuring of social security said.

Its report, which has already been seen by the cabinet and the forum of ministers and MECs — Minmec — was released by Welfare Minister Geraldine Fraser-Moleketi yesterday.

The committee is chaired by Frank Chikane, director-general in the office of Deputy President Thabo Mbeki.

The committee recommended that legislation and rules relating to public service disciplinary proceedings be simplified in a bid to fight corruption. — Sapa.

BD 14/2/97

Welfare-fraud clampdown saves R240-m

ARG 15/2/97 (297)

WILLIAM-MERVIN GUMEDE
POLITICAL STAFF

The Government saved more than R240-million last year by removing 46 000 "ghost" recipients of welfare benefits from the system, said Welfare and Development Minister Geraldine Fraser-Moleketi.

Up to 10 percent of the social security budget, by far the largest item on R14-billion-plus welfare budget, was being lost to fraud annually.

Ms Fraser-Moleketi said at a parliamentary press briefing yesterday that this was the beginning of the Government's campaign to clean up the department of fraud and corruption.

There were many more "ghost" beneficiaries – people long dead, but still receiving welfare benefits.

State maintenance grants to 450 000 women and children will be phased out over the next five years.

In addition, a moratorium has been placed on all new applications for State maintenance.

Ms Fraser-Moleketi admitted the move would lead to hardship among the existing beneficiaries, but with the phasing out of one system others would come into place.

She said all social security payments would be organised nationally by 2000.

This system was recommended to the Government by the Committee for Restructuring of Social Security and would be phased in from next year, she said. It would replace the 14 fragmented provincial and homeland systems.

She formally accepted the report of committee, chaired by Frank Chikane, Director-General in Deputy President Thabo Mbeki's office.

Ms Fraser-Moleketi said the names of two-thirds of the three million social security beneficiaries had been put on a computerised system.

The report, which has already been acted upon by the national cabinet and the nine provincial Welfare MECs, says a nationally-organised payment system will be more cost-effective and easier to co-ordinate and will make it easier to detect and contain fraud.

White paper adopted after tussle over child labour

(297)

BD 18/2/97

David Greybe

CAPE TOWN — The parliamentary committee on welfare adopted the white paper on social welfare yesterday, but only after a fierce tussle between African National Congress (ANC) MPs over the abolition of child labour clause.

The white paper will be debated in the House of Assembly tomorrow and, if adopted, will result in a new national five-year "plan of action" to be developed by the national and provincial welfare departments, in consultation with other stakeholders.

ANC MP Adelaide Tambo, strongly backed by the National Party (NP), called for a stricter child labour clause. However, most of the other ANC MPs, including committee chairman Cas Saloojee, were reluctant at first to alter the clause as drafted by the welfare department.

Tambo and the NP — led by MP Patrick McKenzie — argued that the insertion of "long-term objective" watered down an earlier committee resolution which called for a stricter commitment from government for the abolition of child labour.

"It is wrong and we know it is wrong," Tambo said. The clause, if left unchanged, would result in a phased out approach.

"We want child labour eradicated, not phased out."

However, fellow ANC MP Mary Turok said Tambo's suggestion was "quite drastic" because, she argued, there were families in SA which still depended on child labour to survive.

Turok instead called for a commitment from the department "to work for the abolition of child labour". She said she would "hesitate" to support a blanket ban at this stage of SA's progress.

Tambo replied that acceptance of the clause as presented to the committee was tantamount to an endorsement of apartheid practices, which was responsible for child labour in SA.

McKenzie, in support of "sister Adelaide", said the NP was totally opposed to child labour because the NP wanted "to put the new SA on the right footing".

Committee proceedings were later suspended to allow the parties — the ANC in particular — to caucus, and try to find a compromise wording for the clause.

When the committee reconvened it decided to drop reference to the abolition of child labour as a "long-term objective" in its entirety. Another part of the clause, which committed the department "to work towards" the abolition of child labour, was also slightly altered.

The clause now reads: "The department of welfare commits itself to work for the abolition of child labour in SA."

The white paper, as amended, was supported by the ANC, NP, Inkatha Freedom Party and African Christian Democratic Party. The Freedom Front said it "hoped" to give its support tomorrow.

NEW GOVT APPROACH TO POOR

Cosatu gains hollow social welfare victory

CT 19/2/97 (297)

THE GOVERNMENT has acknowledged it has a central role to play in the social security needs of the unemployed. Political Writer **HENRY LUDSKI** reports.

COSATU has secured last-minute amendments to the government's proposed new social welfare policy, but it is not the victory it would have liked.

The Social Welfare White Paper, to be debated in Parliament today, radically redefines the government's approach to welfare delivery with an emphasis on assistance for poorer and marginalised communities.

But the labour federation maintains that the white paper doesn't go far enough. It wanted social security to be dealt with in a separate white paper to ensure that the critical issue of poverty relief for the millions of people falling outside the traditional poverty net enjoyed prominence.

However, this week Cosatu had to settle for much less than it had bargained for when its position ended up being incorporated in a few last-minute amendments.

The Welfare Department now acknowledges that it has a "central role to play in serving the social security needs of the great number of people who have no formal employment and live in grinding poverty". It further "commits itself to the establishment of a social security policy and legislation" which, it says, should be arrived at in consultation with civil society, labour, business and other stakeholders.

Cosatu is supported by members of the welfare portfolio committee, with many recognising that the white paper may not have sufficiently addressed the federation's general concerns.

Committee chairman Mr Cas Saloojee said Cosatu had played an important role in bringing the committee's attention to the fact that the specific section in the white paper was "not sufficiently strong".

He said it was a concern that would receive attention from his committee in the next few weeks.

Cosatu remained "very concerned" that the government has not yet developed a comprehensive social security system, according to Cosatu spokeswoman Ms Nowetu Mpati.

Cosatu spokeswoman Ms Nowetu Mpati said yesterday that although Cosatu welcomed the amendments, it was not claiming it as a victory.

She said Cosatu remained "very concerned" that the government had not yet developed a comprehensive social security system.

Mpati said the federation nevertheless welcomed the fact that the government had committed itself to the development of a comprehensive social security policy.

Welfare Minister Mrs Geraldine Fraser-Moleketi is expected to respond to the white paper in today's debate.

Cosatu also said the white paper did not give enough attention to providing social security in terms of the commitment in the Bill of Rights to social security for all South Africans.

It pointed out that old-age pensions were not a rational form of poverty relief, as most South Africans who were poor were not aged. Also, a recent International Labour Organisation study into the Unemployment Insurance Fund showed that only about seven percent of the unemployed received UIF benefits.

Cosatu has proposed that the new social security system should provide for a general means-tested social assistance payment to all households earning below a certain agreed-upon income.

It also wants legislation passed that would provide all employees with pension and provident funds, as well as medical aids.

our emotions to run away with us. It would not have been helpful for a naval vessel to try to intercept what the hon member Mahlangu characterises as "very dangerous cargo". If they met with resistance, what would they have done? Would they have sunk the ship? That would not have been helpful.

The deployment of naval power in certain instances is not the answer. I do not think that adopting an attitude which seems to fly in the face of United Nations conventions is going to be of any assistance to South Africa. It is not that South Africa or the African coastline is the course of least resistance. The fact of the matter is that there is a right of innocent passage which is recognised in international law and we have to abide by that.

Ms S C VAN DER MERWE: Madam Speaker, the *Pacific Teal* entered our waters carrying a cargo of 40 blocks of vitrified high-level nuclear waste, as we all now know. We have been assured by the British nuclear fuel industry that the ship posed no risk to our country. However, I would like to point out that the international regulations regarding nuclear waste transport stipulate that fire precautions must allow for a fire up to 800 degrees burning for 30 minutes. Yet, according to the International Maritime Organisation, fires at sea typically burn for up to 23 hours at 1 100 degrees. Is this an innocent ship? This waste is so dangerous that a person, exposed and unprotected, would die within 60 seconds.

We were informed that a monitoring system was in place. However, the responsible person from the Department of Environmental Affairs and Tourism was on holiday at the time the ship entered our waters and could not even be reached by cellphone. [Interjections.] How effective is such a monitoring system if its members are not contactable should a crisis arise? [Interjections.]

The fishing and tourism industries are two important contributors to our economy. The consequences of an accident are too horrific to contemplate. We cannot afford to jeopardise our fishing or tourism industries. As my hon colleague Gwen Mahlangu has mentioned, 100 ships are due to pass our coast in the future. We are indeed fortunate that the *Pacific Teal* passed through safely, but can we guarantee that each and every ship will pass our stormy coast without mishap? Of course, we cannot.

Ms G L MAHLANGU: Madam Speaker, it is true that an undertaking was given which was not honoured, and we need an explanation for that. How much longer are we going to continue to trust officials in departments when we are responsible for all South Africans? The responsibility is ours and we need an investigation as to what happened. On this important day I personally phoned the official concerned and was told by his helpers that he had taken his wife on holiday. That is unacceptable and that is what we need an answer to. [Interjections.]

We thank the hon the Minister for putting the monitoring team together. However, that monitoring team has made our hon Minister a laughing stock in the country. It issued one statement and did something else. That is unacceptable. Urgent attention should be paid to this person's conduct. Personally, I would call for his immediate suspension, because he merely caused a lot of problems for South Africans. [Applause.]

The MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM: Madam Speaker, the concerns raised by the hon members about the safety of our coastline and of our marine resources are shared by the Ministry. It is precisely because we share these concerns that we set in place a whole range of mechanisms to ensure that, in the case of any sort of eventuality, there would be no danger.

In addition to the monitoring we had by the SA Navy and the Department of Environmental Affairs and Tourism, we also had an assurance from the Department of Transport that it had contracted salvage tugs which were available to render any assistance while the *Pacific Teal* was rounding our coast. We also had on stand-by international towage and salvage contractors who were ready to tow the ship back to its port of origin if that became necessary. All these measures were taken precisely out of consideration for the issues raised by hon members.

Hansard.

We are not, unfortunately, in a position to give any guarantees about the security of any ship which passes along our coast. If we are given certain undertakings by the companies concerned, we cannot prevent their ships from passing through our waters unless we have sound reason to call those undertakings into question. In any case, international law would not permit us to do that.

Debate concluded.

RDP: completion of projects

2. Mr R P MEYER asked the Minister of Finance:*

(297)

Whether any progress has been made with the completion of projects for which financing was provided from funds of the Reconstruction and Development Programme; if not, why not; if so, what progress?

N272E.INT

The MINISTER OF FINANCE: Madam Speaker, I am glad to hear the hon members on the other side of the House shouting "Markgraaff". I do not know why they are doing so. [Laughter.]

The interpellation relates to the finalisation of projects for which financing was provided from RDP funds. The question, therefore, implies that there is a definite point at which one would be able to say that projects funded from the RDP Fund had come to an end.

This is, of course, a fundamentally incorrect assumption. When the RDP Office was closed, RDP projects and the money required to fund them were transferred to the departments of provincial administrations as part of the process of integrating the RDP allocations into the Budget. Spending agencies will now be responsible for managing funds allocated to them for RDP projects, as in the case of other voted funds. In some cases, for example where there is a project to provide a community with access to water, there is a point at which one could say that the project has been finalised. However, with ongoing projects such as the primary school nutrition programme or the provision of free health services, one can report on the current extent of the project, but not in the context of finalisation.

Members of the Programme Management Service have been assigned to spending agencies to support the accounting officer in planning - this includes the drafting and approval of business plans - in implementation and in the monitoring of projects. The Programme Management Service, which reports directly to the Deputy Minister of Finance, Ms Marcus, is currently compiling a comprehensive RDP progress report on expenditure as well as project delivery. This report will cover RDP progress to the end of the 1996-97 financial year, and will be available after 31 March.

In terms of RDP funds for the current financial year, the Department of State Expenditure set a deadline of 17 December last year for the submission of outstanding business plans. These plans will be evaluated before the end of this financial year.

In terms of the details that we have to hand from the Programme Management Service, it would obviously take too long to give a detailed project-by-project report-back on which projects have been completed and where progress stands in terms of the ongoing projects.

In the time available I will try to highlight some of the major projects, but if Dr Alant so wishes, I will furnish him with the details that we have to hand on projects completed, on the progress on the presidential lead projects, and on the schedules we have received from provinces in terms of projects completed and their progress and implementation.

*Dr T G ALANT: Madam Speaker, for the election on 27 April 1994, the RDP was the ANC alliance's flagship, its economic policy and the combination of its innumerable election promises.

After the election the RDP was adapted by a parliamentary committee to a more realistic programme, primarily to correct socioeconomic backlogs. However, the document was still overrun with propagandist rhetoric of the ANC alliance.

The RDP function in the Office of Deputy President Mbeki, under the leadership of Minister

Naidoo and with Dr Fanaroff as chief executive officer, appears to have been a total failure. Last year the RDP Ministry was abolished, most of the staff were transferred to line-function departments, as the hon the Minister has said, and the RDP funds were placed under the control of the Minister of Finance.

The ANC could neither sell nor export the economic policy on the strength of which it had been elected, and last year they produced a new economic policy, the so-called Gear, which the NP very strongly supports with certain reservations. With the acceptance of Gear, the RDP was finally given the cold shoulder.

The question that the Minister of Finance must answer in this debate - he has said they are compiling a report - is: What has become of the RDP funds that were allocated? I am referring to voted funds in previous Budgets - initially it was R2,5 billion, in the next Budget it was R5 billion, and in the following Budget R7,5 billion - amounted to R15 billion in total, plus donor funds.

†Our problem is that the RDP has always been plagued by the problem of delivery, and that remains true. Allocated funds differ from those actually expended. Added to this is the perennial lack of accurate statistics, especially from the provinces.

*In the documents tabled by the Government last week upon the introduction of the adjustments appropriation, reference was made in various places to RDP funds. The funds are either moved around, or partially utilised or rolled over, but one cannot get a picture of what is happening with regard to the projects. We are looking forward to the report that will be tabled by the hon the Minister after 31 March.

Mrs P DE LILLE: Madam Speaker, I am really concerned that we are not taking the RDP seriously enough. The RDP seems to have been reduced to a desk in the Ministry of Finance. When are we going to take responsibility and make the Ministers and MECs spend the money and take charge of the RDP programmes? It is not good enough to tell us that spending agencies are in place. We want to hear that the Ministers have taken responsibility for the RDP. In addition, there should also be more accountability to Parliament about the implementation of the RDP.

The other point I want to raise is that there is also no monitoring mechanism in place so that information is accessible to any member of Parliament who wants to find out how far we are with the implementation of certain programmes. If this information were available on a regular basis, we would be able to judge for ourselves how the implementation of the RDP was progressing. I hope that in future the RDP committee will receive regular briefings about the progress on some of these lead projects.

I would also like to request from the Minister of Finance a copy of the list of projects that he mentioned in his response.

The MINISTER OF FINANCE: Madam Speaker, we have heard that the RDP is no more and that the RDP has not delivered. Let me just refer to some statistics on the RDP. More than 200 new clinics have been established, 170 new mobile clinics are in operation, more than 12 000 schools are benefiting from the primary school nutrition programme, resulting in more than 6 million primary schoolchildren being fed. In the approximately 1000 days the ANC has been in Government, 1000 people per day, on average, have gained access to water. Other projects within the first phase of this programme are nearing completion and the second phase is about to be implemented.

Fifty-one per cent of the target schools have been renovated, more than 5 000 schools are currently being renovated and 613 schools have been electrified. Sixty-eight subprojects in the National Public Works Programme have been completed, and 35 subprojects in the extension and upgrading of municipal services have been completed. An amount of R393 million has been spent on special integrated programmes in 14 areas. This is part of a five-year programme.

I should like to reiterate that the RDP is the Government's ongoing vision and strategy in terms of redistribution and attacking poverty. The social and development challenges which we face,

and which are integrally bound up with our economic opportunities and constraints, require an approach that does not separate development from growth.

It is for this reason that the hon De Lille is fundamentally incorrect when she suggests that, because the RDP projects are now part of the spending agencies in national and provincial departments, the RDP has been abandoned. The hon member cannot argue like that. The RDP was never conceived of as a kind of President's slush fund that only dealt with some good things in Government, while the old apartheid NP-type government things were allowed to continue. One has to integrate this into everything one does in Government and that is exactly what the record of the RDP shows.

*Mrs T J MALAN: Madam Speaker, the Minister has now given various details of projects that were launched in the name of the RDP. However, most of the projects he mentioned appeared in the departments' budgets in any case. The confusion with regard to the handling of RDP funds therefore continues.

In 1994 it was perhaps still a justified excuse to blame incomplete business plans, but it is outrageous that the same excuse, even also for State departments, is still being used in 1997, namely that they do not know how to draft the business plans. The electorate has the right to be informed as to how the donations of R81 million from the European Union, R256,7 million from the USA, R300 million from Germany for housing, to name but a few of these foreign donations, have been spent.

†The RDP has received R15 billion in allocations and R600 million from the sale of assets. Only R5 billion of the RDP fund has been spent. Small wonder that the Deputy Minister of Finance has asked for an RDP audit and has got the Programme Management Service to oversee the implementation of projects.

*Will the ANC share with the electorate the failures as willingly as they shared the empty election promises prior to the election of 1994?

†It is nothing less than shocking that the unspent RDP funds will be returned to the Treasury to fund the deficit. This is almost like the R200 million from RDP funds that we heard of last year that had been given to combat crime. Funding to NGOs is now channelled through the Transitional National Development Trust, which will be followed by the National Development Agency. So the RDP has gone from Mr Jay Naidoo, to Deputy President Mbeki, to Deputy Minister Gill Marcus, to the TNDT, to the NDA. In the meantime, problems of line of authority, effective management and a lack of capacity are blamed. [Time expired.]

*Dr T G ALANT: Madam Speaker, we thank the Minister for the statistics he has provided. However, the information given by the hon the Minister does not place us in a position to form a complete image of the progress with regard to the RDP. We expect and look forward to receiving those details in the report he referred to. I would like to mention that Parliament has another RDP committee to keep it informed, but my information is that the RDP committee is obsolete, primarily travels around overseas and can simply be abolished.

We will expect the Minister of Finance to inform us as to the value that the taxpayer is receiving for his money, how much of the RDP funds has already been utilised, how much has been allocated to approved projects and how much is to be rolled over to the next financial year. The hon the Minister will have to be beware of the image of the ANC Government as a Government of promises, White Papers, nondelivery and poor political management.

*The MINISTER OF FINANCE: Madam Speaker, the problem is actually that Dr Alant was in the government and what he left behind is the mess we now have to clean up. [Interjections.] The problem I have with the NP, is that I want to know what lengths we have to go to ... [Interjections.]

*The DEPUTY SPEAKER: Order!

*Dr B L GELDENHUYS: What was the value of the rand when we were in power!

*The MINISTER: ... to explain the RDP to them. [Interjections.]

†Clearly the hon member Malan has not been aware of the number of clinics that have been constructed. Under the RDP, 200 new clinics and 170 mobile clinics have been constructed. The Minister for Health will confirm that they have ear, nose and throat specialists. They will be able to help her to listen when we speak in Parliament. [Interjections.]

I can report that there are currently 73 major RDP projects at various stages of implementation, the subprojects of which total approximately 3 800.

With regard to these projects, business plans to the value of R1,891 billion have been approved. The accumulated budget for RDP projects is R1,924 billion, leaving a balance of R330 million which is available for cross-cutting projects.

This is the story of the RDP. This is the full story. It is a good story. We cannot be held responsible for the ignorance of others.

Debate concluded.

SA criminal law codified

3. Mr M F CASSIM asked the Minister of Justice:

> Whether, in view of recent developments regarding South African policies and in keeping with developments in this regard in the rest of the world, the Government intends codifying South African criminal law with a view to informing citizens as to which actions of theirs are punishable and which are not; if not, why not; if so, what are the relevant details?
>
> N172E.INT

The MINISTER OF JUSTICE: Madam Speaker, hon members, Government holds the view that citizens must know which actions of theirs are punishable and which are not. This is not necessarily dependent on codification of the criminal law. It is not possible to state categorically at this stage that Government intends to codify South African criminal law or that it will not do so. No decision in this regard has been taken.

We are mindful of the fact that codification of criminal law, and indeed the law in general, does have advantages and disadvantages. The main disadvantage according to opponents of codification, lies in the inhibitory effect codification may have on the development of law. Codification, it is said, tends to stultify development.

It is well known that our criminal law and definitions of crime, generally speaking, have their roots in the common law. For example, there is no legislation which provides that murder, robbery, assault, theft or rape are crimes. These crimes and their definitions have their roots in the common law. In almost all respects, the law evolved over a long period of time, perhaps hundreds of years, through court decisions and legal writings. As circumstances change, the principles governing those crimes also change through adaptation.

It is claimed that codification creates inflexibility and will therefore stultify change through adaptation. Proponents of codification, however, argue that the advantages of codification outweigh the disadvantages. The main advantage lies in the fact that by stating in clear and concise language what the law is, and what constitutes a crime, the law is made more accessible, is simplified and demystified.

It is said that in a modern, complex society citizens must know what the law is. Pro-codification lawyers and academics therefore argue that, with codification, knowledge of the law is facilitated and that this enhances compliance with the law.

The codification route for law generally is a very attractive one. It is an important instrument which can be used to break from the past and to create a new legal dispensation. It is therefore not surprising that revolutionary Europe, after the great French Revolution of 1789 codified the law, including civil law, so as to reflect the new bourgeois reality and to break radically from hundreds of years of feudalism in Europe. That was an example of the law being used as an instrument of transformation. That thought makes the codification route attractive in South Africa. Codification must therefore be given serious consideration.

Criminal procedure, as opposed to substantive criminal law, is already codified. The advent of a constitutional dispensation in which the Constitution with its Bill of Rights, and not Parliament, is supreme has created an urgent need to review and recast our Criminal Procedure Act to bring it in line with the Constitution. [Time expired.]

Mr M F CASSIM: Madam Speaker, the response of the hon the Minister indicates that this subject is one that the country should be debating intensely. He is correct that the need for codification is absolutely essential in societies that have made major transformations.

In South Africa at the moment, if one needs to get to the root principle of the law, one has to be like a miner digging through three deep strata of law. First, one has to dig through the strata of British common law, then one has to get down into the strata of 18th century Dutch Law, and then to the bedrock of the even more ancient Roman Law. It is only then that it is possible to work out the principles that inform our different types of law, whether civil law or the law that we are talking about, criminal law.

In France it is possible for a judge to give a three-line ruling. A judge in South Africa, in a similar case, might give a ruling running into 64 pages. [Interjections.] That is because the law is not codified. Consider the cost to the ordinary person who has to employ advocates and attorneys to dig through all these tons of law in order to be able to address it. It might be interesting to know that in South Africa, the Transkei had codified laws 110 years ago and that codification is extant. It has been used extensively by Botswana, Lesotho and Swaziland. Every country in the region, including Zimbabwe and other countries that have their bases in Roman-Dutch law, is moving speedily towards codification.

South Africa occupies a unique position in that it is one of the few countries that has not moved rapidly towards codification. The idea that codification would stultify the law is misplaced. Holland is a good example of a country where codification has taken place on three different occasions, with the law being changed substantially on each occasion. When one has codified the law the principles become clear, and whereas at the moment one has to go through book after book, the situation in the European countries which generally follow codification principles, as the hon the Minister rightly pointed out, is that the law has become more easily available. In South Africa, if we continue to argue on the basis ... [Time expired.]

Mr D H M GIBSON: Madam Speaker, the House is indebted to my hon friend Mr Cassim for raising a matter which is of interest to academic lawyers.

However, we wish to caution that legislating is not the cure for all ills in our country. What is far more important than codifying the law, is applying the law. The sad fact in South Africa today is that everybody, whether law abiding or criminal, knows what murder, rape, robbery, hijacking and theft are, and they also know that the chances of the criminals being apprehended and brought before the court and, if they are found guilty, being sentenced and punished, is absolutely minimal.

We are indebted to the Nedcor survey of last year which told us that out of every 1 000 crimes committed in South Africa, 450 are reported, 230 are solved, there are 100 prosecutions, only 77 convictions and only 36 imprisonments, and only 8 result in sentences of two years or longer. That is the unhappy result of the fact that our law in South Africa is not applied properly, efficiently and effectively by the criminal justice system.

Codification might be fine. It certainly gives rise to an interesting debate. But I suggest that we should put our energies into applying the law and teaching the criminals, who know what the crimes are, that they cannot get away with it.

The MINISTER OF JUSTICE: Madam Speaker, the question of crime is, of course, a very serious and a very important matter for our country. A great deal is being done, but more needs to be done, to ensure that we bring crime under control. Obviously the criminal justice system has a very important role to play in that regard. That problem would exist whether our law was codified or not. So in a sense the issue raised by the hon member Mr Douglas Gibson is irrelevant to the debate. Therefore I restrict myself to the issue which was



President Nelson Mandela, accompanied by Graca Machel, meets Queen Silvia of Sweden, who arrived in Cape Town with King Carl Gustaf yesterday for a three-day visit. Picture: AP

SA gets R280m in Swedish aid

CAPE TOWN — Sweden is to give development aid of about R280m to SA between March 1 and the end of next year in terms of an agreement signed yesterday.

The objective of the aid is to strengthen SA democracy and promote social reform — especially in education, public administration, urban development and housing, as well as to develop business enterprise.

The agreement was signed at Tuynhuys in Cape Town by Sweden's Development Co-operation Minister Pierre Schori, and acting Foreign Affairs Minister Steve Tshwete.

It follows an accord signed in 1995, by President Nelson Mandela and then Swedish prime minister Ingvar Carlsson, for R210m in aid to the end of last year.

Yesterday's ceremony took place at the start of a three-day state visit to SA by Sweden's King Carl Gustaf and Queen Silvia. — Sapa.

BD 19/2/97 (297)

PICTURE: GARTH STEAD

Swedes donate R280m for development

297

CT 19/12/97

SWEDEN yesterday donated R280 million to South Africa in development aid for the period from March 1 to the end of next year.

The aid is to strengthen democracy and promote social reform, especially in education, public administration, urban development and housing, and developing business enterprise.

The agreement was signed at Tuynhuys by Sweden's Minister for Development Co-operation, Mr Pierre Schori, and acting minister of Foreign Affairs Mr Steve Tshwete.

In 1995 the Swedes donated R210m for the period July 1, 1995 to the end of last year.

Yesterday's ceremony took place at the start of a three-day state visit by Sweden's King Carl Gustaf and Queen Silvia.

"After three decades of support for the anti-apartheid struggle, we have turned a new page in our bilateral co-operation," Schori said.

South Africa had now taken up the challenge of fighting poverty and other social ills. — Sapa

Sweden pledges R280-m to SA

(297)

Sowetan 20/2/97

By Rafiq Rohan
Political Correspondent

SWEDEN'S King Carl Gustaf and Queen Sylvia have pledged a R280 million grant to South Africa.

The two Governments signed agreements on development cooperation that will continue for two years.

The agreement was concluded by Pierre Schori, Swedish minister of development cooperation, and Steve Tshwete, Acting Minister of Foreign Affairs.

It was not the first contribution of money by Sweden to South Africa.

"The agreement marks a continuation of the cooperation initiated under an agreement signed in February 1995 by President Nelson Mandela and the then prime minister of Sweden, Mr Ingvar Carlsson, which provided a total of R210 million for the period July 1 1995 to December 31 1996," said a statement released on the agreement.

'It is not the first contribution of money by Sweden to SA'

The main aim of the Swedish cooperation programme with South Africa is to strengthen democracy and to promote social reform.

The programme focuses on poverty alleviation and promotes equality between men and women. It concentrates on democracy and human rights, education, culture and the media, public administration, urban development and housing and business and enterprise development.

"Sweden is proud to be associated with South Africa's development challenges," Schori said.

SA development gets R475m boost

BD 20/2/99 (297)

CAPE TOWN — Deputy Finance Minister Gill Marcus and European Union (EU) ambassador Erwan Fouéré signed into existence seven financing agreements worth R475m yesterday.

The agreements covered some of the projects picked for funding from the EU's 1996 allocation of R650m for development projects in SA through the European Programme for Reconstruction and Development.

Programme funds are allocated a year after initial talks on aid programmes.

The balance of the R650m will be used to fund non-governmental organisations (NGOs). Fouéré said this showed the EU had not abandoned NGOs for government programmes since the elections, as some had claimed.

Marcus said the grants were focused on specific sectors and included funding for a research project to raise competitiveness in the SA Development Community (SADC) as a whole.

Marcus said: "It is assistance in real terms ... We are very grateful not only for the financial support but also for the technical support that goes with it."

A follow-up meeting to discuss a planned three-year, R2,5bn EU aid package is scheduled for April.

"We will try to narrow the focus even more and we are looking for sectoral support programmes, particularly in education and health," Marcus said.

Support would also be sought for education and training and greater support for NGOs.

The seven agreements provide R45m for improving policing in the Eastern Cape, R75m for the electrification of 1 000 rural schools in the Eastern Cape and Northern Province and R96m for a public service management development programme.

The agreements also provide R86m for technical support for the education department, R122,5m for the Cato Manor development programme, R44m for small business development and R5,5m for finance and investment sector research project for the SADC.

Fouéré said the agreements once again underscored the EU's commitment to helping a democratic SA meet its development goals. The grant for SADC programmes highlighted the catalytic role SA was playing in the development of the region. — Reuter.

Govt ponders faster NGO funding

CT 20/2/97 (297)

BARRY STREEK
POLITICAL WRITER

PROPOSALS to promote funding to non-government organisations (NGOs) through a new development agency and to transform the Independent Development Trust (IDT) into a government development agency were handed to the government yesterday.

Although the the proposed National Development Agency (NDA) is only expected to start operating in May next year, the proposals could result in more streamlined support for civil society organisations (CSOs).

The recommendations were made in the report of the Advisory Committee on Structural Relationships between Government and Civil Society Organisations, a joint government/NGO body chaired by Deputy Minister of Trade and Industry Ms Phumzile Mlambo-Ngcuka.

Mlambo-Ngcuka, who was active in the NGO sector before she was elected an MP in April 1994, yesterday handed the report to Dr Essop Pahad of the Deputy President's office.

She said it was estimated there were between 30 000 and 54 000 CSOs in South Africa, which received more than R2,4 billion a year in grants.

This included R1bn from the private sector, R700 million from foreign governments, R351m from the IDT, R250m from the Kagiso Trust, and R16,5m from the Transitional National Development Trust (TNDT).

Mlambo-Ngcuka said her committee had recommended that the NDA should be a statutory body, located in the Deputy President's office, that would report to Parliament.

This body would co-ordinate policy consultations and dispense funding. These funds would come from the government, the private sector, foreign grants and all other sources, including the proceeds of a national lottery.

The TNDT should be phased out and all its assets transferred to the new NDA.

The IDT should be transformed into a government development agency that would implement projects commissioned by government departments. It should also be asked to contribute some of its invested capital to establishing the NDA. In this way the government would be able to speed up delivery, which was often blocked by red tape, said Mlambo-Ngcuka.

Committee says small businesses should be funded through NGOs

(297) BD 20/2/97

Tim Cohen

CAPE TOWN — The parliamentary trade and industry committee yesterday adopted a report critical of the lack of finance and services available to small business from government bodies and proposed that loans should be provided by nongovernment organisations (NGOs) rather than by commercial banks.

The report recommended an "active exploration" of the option of making finance available at concessional rates to targeted small businesses rather than providing wholesale finance through larger financial institutions.

"It is our view that while the aim to create capacity for small business to be able to absorb loans at commercial rates is a laudable one, current interest rates are simply too high to facilitate the kind of expansion in the sector that is needed. We are not convinced that the current nonfinancial support services are yet sufficiently viable and tangible to offer a meaningful alternative."

The committee said it was aware that its investigation took place at an early point in the implementation of the national small business support strategy, with the recent establishment of four new institutions, the Centre for Small Business Promotion, Khula, Ntsika and the National Small Business Council.

Khula had by December issued two operating grants to the value of R1,19m and had negotiated credit guarantee arrangements with several banks. It anticipated expanding this year, providing loan finance totalling R117m and capacity-building support to the value of R8,1m to 11 retail organisations and provincial development corporations.

But the committee said it found widespread ignorance and misunderstanding about what the institutions were supposed to do. For example, Khula's role as a provider of wholesale finance to a series of retail institutions appeared to be widely misunderstood.

"The fact that very few businesses are at present receiving services and that communication is problematic threatens, in our view, to fuel an attitude of cynicism and alienation among the small business community." The committee therefore recommended that there was an urgent need to improve communication with the potential client base.

As a provisional conclusion it seemed that NGOs, community financial institutions and business associations were more likely to be more effective providers of retail finance than established commercial banks. Khula guarantees and funding might be more effective if refocused at this level, it said.

The committee insisted that small business ought to be a priority of the trade and industry department.

"With GEIS being wound down, we look forward to seeing significant additional resources made available to the National Small business Support Strategy in 1997/98 and subsequent budgets," the report said.

Saturday Star
February 22 1997

Break your chains, lively Lisa tells disabled folk

(297) Star 22/2/97

By NTHABISENG RAMPONENG

South African society, with its "ag shame" attitude and insensitivity towards the physically disabled, is crippling the chances paraplegics have of living comparatively normal lives.

So says American-born paraplegic lobbyist and aerobics instructor Lisa Ericson-Siff (39), who adds that the disabled in South Africa have not yet realised their right of expression – that they can go out and march and speak for themselves.

"People have asked me why they don't see people out and about on wheelchairs. I say they don't go anywhere ... they are under house arrest because they can't move without being pushed or carried," says Ericson-Siff.

They see us as being sick. Paralysis is not a disease ... something is just broken. We are not terminal

For someone as independent as her, the four hours spent struggling out of bed, brushing her teeth, taking a shower and getting dressed, would be wasted if she were to be cooped up at home.

But this enormous effort sometimes seems wasted as she wheels herself out of her house and drives to a supermarket, only to find that there is no parking reserved for the disabled. Inside the supermarket, the shelves are often too high and products out of reach. In some instances, she cannot even get through the doorway.

"In the United States, I used my energy on my life, my family and my job. I did not waste it thinking about whether there would be a toilet where I was going, or whether I would be able to get inside," says Ericson-Siff.

Walking again is low on her list of priorities. Her main objective is to help paraplegics be independent and lead more productive lives.

However, she says that in the four years she has been in South Africa, she has not seen significant change – either in the form of legislation or initiatives from paraplegics themselves.

"There is no energy," says the most visible paraplegic in the country. "To initiate legislation, we have to get out there and do something extraordinary – something so monumental that it affects the lawmakers' wallets. Until then, nothing will be done.

"We need to be aggressive; to get our efforts in the newspaper and on television. But we need to do it in a kind and informative way.

"I want to help and I've been pushed into this activism thing because those who have been there before have totally missed the point," says the exuberant Ericson-Siff.

"The key is 'independent accessibility'. If you are used to being babied and pushed around, there is access. Those on wheelchairs should be allowed – if they can – to get around on their own wherever and whenever they want, like normal people."



BEATING THE ODDS: Although she has the use of only her upper body, Lisa Ericson-Siff is indomitable and her mission in life is to pass this fighting spirit on to all disabled people PHOTOGRAPH: JOHN HOGG

The former ice-skater says disability can afflict anyone. Doctors could not establish what caused a clot in her spinal cord, leading to her disability at the age of 27.

"I woke up one day and could not feel my stomach muscles. The doctors left the clot there and a few weeks later I could not walk," says Ericson-Siff. For the past 12 years, she has lived a happy and normal life. She still enjoys snow skiing and has made a career of aerobics.

Her firmly built upper body and the vigour with which she carries herself, disguise the fact that she has the use of only her upper body.

Ericson-Siff moved to South Africa in 1992 after marrying Wits University sports and biomechanics expert Doctor Mel Siff, whom she met in her home town, Denver, Colorado.

With the support of her husband and co-worker Ellen van der Net, she has set up a wheelchair sports camp to help spread awareness of physical disability and to help bring independence to paraplegics, especially the young.

But she sees no use in training the young in embracing independence when society and government contribute nothing to enhance these efforts.

"You hear government officials talking about putting children first and how they are the future, yet 90% of paraplegic children in this country die in the first two years of their disability. Those children on wheelchairs are also the future, but they are pushed aside.

"There is no children's wheelchair manufacturer in South Africa. Children are forced on to adult wheelchairs, which is why many end up back in hospital, and worse off."

Acording to Ericson-Siff, South Africans view all four groups of disability – mental retardation, deafness, blindness and physical – as similar.

"They see us all as being alike – sick. Paralysis is not a disease ... something's just broken, we are not terminal," she says. "People will respect parking bays reserved for VIPs, but will not think twice about taking space reserved for us."

There is no energy. To initiate legislation, we have to get out and do something to affect lawmakers' wallets

Three minutes of waiting for someone to vacate a reserved toilet or parking bay could cost her dearly in terms of time and stress, because like most paraplegics, she is incontinent.

She explains that if she is unable to contain her bodily functions, it will take hours to clean herself and her surroundings and three days for her wheelchair cushion to dry out.

"Read the signs and obey them. There are 10 000 other people like me out there who need the reserved facilities."

Lisa's friend, Ellen van der Net, who is senior recreation officer at the Norwood-based Patterson Park Recreation Centre, adds her concerns.

She believes parents need to be educated as they tend to hold children back. Also, paraplegics face a life of constant obstacles in a country where access to facilities are limited. Even when a building, for example, is said to be accessible, this can often be achieved only with aid.

Although, building codes passed in 1976 stipulate that all buildings should have facilities for the disabled, these laws are not enforced. Many a builder has ignored the codes to their own benefit.

Ericson-Siff says it requires little effort and expense to make existing structures more accessible. For instance, doors need only open outward; toilet cubicles need to be wider to accommodate wheelchairs and a few minor adjustments need to be made to pavement ramps.

Ericson-Siff offers her advice free to anyone interested in improving the lot of the disabled.

Swiss give R1,5-m to victims of human rights abuses

JOHN YELD AND SAPA (297)
ON THE TRUTH COMMISSION
ARG 25/2/97

The Government has established an inter-departmental committee to speed up the process of granting reparation to people identified by the Truth Commission as victims of gross human rights abuses.

Meanwhile, the Swiss government today donated R1,5-million to the President's Fund from which reparation will be paid to victims – the first foreign country to do so. The Swiss donation to be paid in two instalments was announced at a signing ceremony at Parliament between Dullah Omar and Swiss ambassador to South Africa, Robert Mayor.

Justice Minister Omar is also due to sign a R2-million deal for the President's Fund with a Danish government representative tomorrow and he said Sweden also wanted to make a contribution.

Mr Omar's department has already given R1-million to the fund.

NGOs face uphill struggle as support base dwindles

(297) BD 26/2/97

THE transition to democracy saw the non-government organisation (NGO) sector plunged into a state of chaos as most of its leadership moved into government or the private sector, while significant funding relationships changed dramatically almost overnight.

"What we had in the sector were a lot of NGOs without leaders or funding, needing to learn a completely new way of doing things.

"Disorganisation was inevitable," says Development Resources Centre executive director Gavin Andersson.

"But the sector is now much more stable and there is very little duplication. The NGO coalition is creating a forum for communication and co-operation, and increasingly, where separate NGOs find themselves doing similar work, they tend now to co-operate rather than compete.

"They are also more conscious of their accountability, and have a clearer sense of direction," says Andersson.

Lack of funding is still, however, threatening many NGOs. After the elections, numerous foreign donors that had supported NGOs directly for years shifted their support to government, which, however, lacked the infrastructure to bypass funds on to the NGOs and communities.

Many international donors that continue to support SA have decided that other parts of the world need attention, and have given notice that they will be withdrawing between about 1999 and 2003.

"We have tried to ensure a steady stream of funding support through this period of change. As donors, we cannot keep changing our objectives with each subtle shift in the political climate," says Anglo American and De Beers Chairman's Fund chief executive Margie Keaton.

Changing roles also presented a challenge. Most NGOs were established to counteract a government that was often actively hostile to development.

Delivery

"In the old regime, NGOs played an important role. Government was not representative and the NGO sector was at the vanguard of delivery because government simply wasn't interested," says department of housing chief director (human settlements) Tanya Abrahamse, formerly an active member of the sector.

"Between '90 and '94 some NGOs tried to define their core business in the context of a government committed to delivery, but failed to take certain critical scenarios into account, such as the existence of local government and the problems it would experience."

For years NGOs' primary goals had been to fight for human rights, democracy and change. Having won that battle, they had to learn new development orientated skills.

"Some NGOs, especially those with a good understanding of their core competencies, have thrived. Others, which duplicate what government now has the will and the competency to do, will fall by the wayside.

"A major strength of many lies in their excellent core resources and networks, while many of our 911 municipalities in rural areas consist of a group of councillors sitting under a tree.

"They are political appointees, elected for their ability to represent their constituents, but they are ineffective because they have no officials to support them."

The cost to the fiscus of developing these local authorities would be astronomical, and could not be achieved overnight because of the lack of capacity at this level. A solution, however, would be to draw in the NGOs, especially in the rural areas.

"They have been delivering services for years, and they could help local authorities plan for their communities.

"They can play a valuable support role to government — for instance, building capacity for land affairs officials and underpinning government welfare policy.

"We are working on a package of measures in the housing department to improve rural access to housing but our biggest problem is the inability of communities to organise and mobilise themselves to access the subsidy.

"The housing department cannot develop a massive operation to do that, but NGOs are already in place to inform, mobilise, administer and facilitate."

In some areas, however, the NGOs are losing ground to the private sector.

"Companies are tendering to government for work that was formerly undertaken by NGOs," says Abrahamse.

A common complaint among local donors is the perceived lack of co-ordination within the sector, despite the efforts of the NGO coalition. But Keaton says too much regimentation could be counter-productive.

"Diversity and change is good and healthy. We must avoid entrenching and regimenting NGOs, although we need better mechanisms to enable them to communicate.

"Some degree of co-ordination could be useful, but we need to beware of powerful umbrella bodies. They can be destructive," she says.

The past six months have seen considerable work done by the NGO coalition. The sector as a whole is focusing intently on a number of critical issues and is pushing government to legislate change.

"Recommendations regarding the law governing non-profit organisations have been taken to government," says Andersson.

"For instance, under current regulations a non-profit organ can incorporate only as a Section 21 company or a trust. These involve a costly and complex process that is out of reach of many small organisations.

Accountability

"We need a new form of incorporation that is more appropriate to, for example, village communities."

There is also a need to enhance accountability, and to create a framework to encourage partnerships for NGOs with the private sector and government.

"Representatives of the sector are calling for scrapping of controls that block fund-raising efforts by organisations without a welfare organisation number.

"We would like to see government introducing tax breaks to encourage people to contribute to development and upliftment initiatives," says Andersson.

"It is reasonable to reward people who help government carry the burden.

"Overseas experience has shown that while tax incentives have little effect on the tax base, they dramatically raise the level of giving."

(297) CT 26/2/97

Campaign to give silent victims of abuse a voice

AS PART of the National Crime Prevention Strategy, the Department of Welfare and Population Development has been allocated R10 million for an education campaign on the rights of women and child victims of abuse. **DIANE CASSERE** speaks to Minister Ms Geraldine Fraser-Moleketi, who plans to reach those she calls the "voiceless".

"WOMEN of Africa won't be beaten" was the slogan for a conference on Violence Against Women in 1995.

At that conference, delegates perceived that the government network to prevent violence against women and children was ineffective and eight core government departments and non-government organisations teamed up to form a national network.

Among these is the Department of Welfare and Population Development, headed by Fraser-Moleketi.

The others are the South African Police Service and the departments of Health, Justice, Foreign Affairs and Education.

The national network also includes representatives of the nine provinces, an inter-departmental committee and other co-opted members.

Fraser-Moleketi describes hers as "the ministry that deals with the most vulnerable in the country".

"I am concerned about the voiceless ones who have no access to services and counselling. These are the people I feel for deepest."

Although the fight against violence against women and children is not new, it is being given more publicity.

As the concerted effort of the various departments makes itself felt, rape and abuse statistics apparently will increase because, through education, the culture of silence will be broken.

White ribbons are to be worn in South Africa on March 8, International Women's Day, as a mark of protest against violence against women and children.

From March 8 to 21 there will be "a period of activism" to educate people about abuse and highlight the problem, says Fraser-Moleketi.



CONCERNED: Ms Geraldine Fraser-Moleketi

"We know that there is an inadequacy around bail and sentencing and this is where Justice (Department) comes in. For Welfare, our interaction is counselling, facilitation and information."

Fraser-Moleketi says her department has set up a 24-hour helpline to advise victims.

It is also undertaking "inter-sectoral" work with the departments of Safety and Security, Transport, Correctional Services and others.

"In December abuse against women was categorised as a majority crime and we are going to ensure that we all engage on this," Fraser-Moleketi said.

"We will see a rise in statistics, but this will be because we are putting a database in place. Rape and violence were always there, but we will be reporting it now. We want to see a new culture developing because we are speaking out."

She says her department's role is "not direct service delivery", but rather information and facilitation.

"We will ensure the provinces' delivery of services. We have a close partnership with the NGOs, such as the childlines, Rape Crisis and other organisations."

South Africa had created a crime culture, Fraser-Moleketi said.

"This country was badly messed up. We need preventive and more holistic responses in which we claim our communities back.

"Victim empowerment is part of this. It is critical for victims to know what their rights are.

"We often separate the victim from the family unit in dealing with the trauma. This is where we must come in with education, to break this culture in which so many people are captured."

The Department of Welfare's efforts to empower victims will include counselling, education through schools and national awareness campaigns.

Fraser-Moleketi says it will take five to 10 years to "do the preventive work", but that services need to be supplied immediately.

She describes the process as "revamping the ship in mid-ocean with no leisure time to recruit".

Her message is: "People must break the silence, talk, so that we can intervene — otherwise we protect the perpetrators. This is what victim empowerment is about."

Fraser-Moleketi would like the rehabilitation of offenders to go hand-in-hand with victim empowerment.

"Correctional Services would have the biggest role there.

"There is a need for a register of paedophilia and child abuse so that we can follow through and prevent these people from returning to the situations where they can repeat their crimes.

"We need a database on sexual offenders."

● The 24-hour helpline for child and women rape victims is 0800-055555.

The 24-hour children's emergency helpline is 0800-123321.

Budget allocation to meet 'incredible demand'

RDP fund for R4,4bn injection

CT(BR) 26/2/98 (297)

DUMA GQUBULE

Johannesburg — The Reconstruction and Development Programme Fund will receive a R4,4 billion boost in the March 12 Budget, bringing the total allocated to the fund since 1994 to R19,6 billion, Neil Nel, the co-ordinator of RDP programmes, said yesterday.

Nel said there had been "incredible demand" for RDP funds from government departments across the board. The departments, which all have access to the fund, had been given until December 17 last year to submit business plans.

The state expenditure department, which now administers the fund, had looked at the plans and allocated R5,7 billion for 1997-98 to deserving projects, he said.

The major beneficiaries would be housing, which would receive R1,4 billion, health (about R1 billion) and constitutional development (about R700 000).

"There will be massive expenditure of RDP funds this year. And most of the funds will be spent during the last three months of the year. The RDP is far from dead. None of the projects have been stopped," Nel said.

The fund, which was administered by the former RDP office until March last year, allocated about R2 billion to development projects in 1994/95, but only R600 000 was actually spent.

It allocated R4,7 billion the following year, and a similar amount (which included the previous year's unspent funds) was rolled over.

Last year, the fund allocated R6,3 billion.

"The actual figures have not yet been released, but we expect that about 60 percent (of the R6,3 billion) was actually spent during the year. This year (1997-98) the proportion of funds rolled over will decrease further, which means more money to be spent on RDP projects," he said.

"The mistake we made two years ago is that we assumed that it was possible for RDP expenditure to begin immediately.

"But in development there has to be a planning phase, which requires little by the way of cash inputs.

"We are now ready for the roll-out phase, which will result in huge expenditures and implementation of projects," Nel said.

The RDP Fund was started three years ago to address "imbalances of the past" and to ensure that there was enough money for the Presidential Lead Projects announced soon after the 1994 national elections.

The fund received R2,06 billion in the first year, R6,1 billion in the second and R7,05 billion last year.

This year's addition of another R4,42 billion brings the total allocated to the fund to R19,6 billion.

Allocations from the fund (including this year's R5,7 billion) have reached R18,6 billion over the past three years.

The major beneficiaries of the fund have been housing, which has received about R3,4 billion, constitution affairs (about R2,6 billion) and health (about R2 billion).

RDP committee seeks resurrection

(297) M+G 28/2 - 6/3/97

Marion Edmunds

MEMBERS of the Reconstruction and Development Portfolio Committee say their committee should be resurrected by Parliament to monitor the work of ministers, provincial MEC's and local government councillors.

The committee was created to oversee the Reconstruction and Development Programme (RDP). The RDP offices were closed nearly a year ago and its programmes parceled out to other ministries. Like the programme, the committee still exists in name, but with no ministry to oversee.

Max Sisulu, former committee chair, says he and other committee members drew up a report and forwarded it to Speaker of the National Assembly Frene Ginwale recommending that the committee be reinstated and endowed with greater authority to monitor projects that fall under the RDP regardless of what ministry runs them.

"The committee would need legitimacy. It should be able to call any minister to account for implementation of the RDP. It should also have the power to go on local inspections," Sisulu says.

He hopes the report will reach the rules committee of the National Assembly soon, and that legislation would be passed by the year-end.

Sisulu says the committee should act as a watchdog, looking over development projects. He also says the committee could act as a clearing house for information about the RDP that is not easily available.

The report follows recent vows by the African National Congress to better communicate the success of the RDP to the electorate, in anticipation of the 1999 elections. The ANC has been criticised from within and without for sacrificing the RDP for the sake of fiscal discipline and economic growth strategies.

Sisulu said the committee should be restructured to include a range of MPs interested in service delivery and that it should also include delegates of the National Council of Provinces.

Alison Tilley, the Black Sash's national legislation monitor, this week said breathing life back into the committee sounded like a good idea.

Consortium to fund RDP

(297)

Patrick Wadula

BD 4/3/97

THE Bophirima consortium, which won the bid to buy the North West Development Corporation's 40,2% controlling stake in Yabeng Investments, will provide funding for the North West province's reconstruction and development programme.

Cyprian Lekoma, chairman of the consortium and Bophirima Investments, the investment arm of the North West National African Federated Chamber of Commerce (Nafcoc), said at the weekend the Yabeng transaction was relevant to the current financial requirements of the province.

Lekoma said the inclusion of blacks into the formal economy was crucial for economic growth and social reconciliation.

Yabeng would trigger the conversion of the consortium into a broadly based black empowerment vehicle, he said.

Other members of the consortium include two trade unions, a hawker's body, African Renaissance, and North West Women Investments.

Maintenance grant system will expand to benefit 3-million children

Tim Cohen

CAPE TOWN — The cabinet decided yesterday to scrap SA's R1,2bn maintenance grant system over five years, and to replace it with a child-support system at an additional cost of R1,2bn to help support 3-million poor children.

The new system, slightly less generous than the recommendations of the Lund committee, would bring relief on a sharply reduced scale to a much wider group than the roughly 350 000 current beneficiaries, the cabinet estimated. The decision is bound to be politically sensitive because by far the majority of beneficiaries are coloured and Indian and the provinces that will lose out most will be the Western Cape and KwaZulu-Natal.

Welfare and Population Development Minister Geraldine Fraser-Moleketi pledged to do "everything in my power to minimise the negative effects of the changes".

In terms of the cabinet's decision, the new system will pay a flat rate of R75 a month a child to all "primary care givers" who meet the requirements of a "simple and workable" means test. The benefit would apply to all children from birth to six years old.

This compares to the models produced by the Lund committee which worked on the basis of a R70 flat rate paid to mothers of children between birth and seven, and birth and nine.

In the existing system, mothers are paid a total monthly maximum grant of R700, made up of a R430 parent allowance and a R135 grant for each of two children from birth to 18.

Cabinet decided that this system would be phased out over five years and that a moratorium would be placed on new applications for the old system. Benefits are to be reduced by 20% every year for existing beneficiaries.

The department would introduce the new system from August 1.

Welfare director-general Leila Patel said government would spend R1,2bn on the system over the next five years in addition to the R1,2bn it was spending on the existing system.

The cost of the programme would be "back-loaded" to allow for the establishment of the new system so that initial budgets for the new programme would amount to R155m in the 1997/98 financial year and R316m in the following year.

She said government was essentially substituting a support system for deserted mothers with a support system for poor children which would be spread more evenly but have a much wider reach.

Continued on Page 2

Maintenance

Continued from Page 1

In terms of the current system the only mothers that benefit are those who can demonstrate that the father of the children is untraceable or incapacitated in some way.

The new system would "follow the child" and would be available to all care givers who satisfied the means test. They could be mothers, fathers or even grandparents. The presence and earnings of the father might affect the means test but would not exclude a potential beneficiary.

Patel acknowledged that the change over would "be a blow" for some people, particularly in the Western and Northern Cape and KwaZulu-Natal. But the new system was aimed at poverty alleviation for 10% of the most needy people in the country.

Of every 100 beneficiaries of the current system, 48 are coloured, 40 Indian and two African.

Post Office price hike has mail users weighing their options

CT 6/3/97

(297)

OWN CORRESPONDENT

JOHANNESBURG: The South African Post Office's dramatic tariff increases could be the final nail in the ailing organisation's coffin.

Its major clients have declared they now have no choice but to seek cheaper, more efficient alternatives.

Big business — which makes up 80% of the postal system's annual mail volume — not only rejected the increases announced yesterday, but also called for privatisation of the Post Office.

The cost of mailing standard letters will jump by 42% to R1, and the cost of all other mail will increase by an average of 30% from April 7.

Major clients dismissed the Post Office's suggestion that it give its largest clients a 2,5% reduction if they maintained current mailing volumes, and a five percent reduction for doubling this volume over the next year.

Post Office managing director Mr Frank Touwen admitted that "drastic" increases could mean that Post Office clients would turn to other technology.

But he said the government's R142m subsidy cut had left the Post Office "no option" but to generate revenue from price increases.

"No such dramatic increases are envisaged for the future," Touwen promised, adding that the problem was one of income only.

Tariffs were much lower than they should have been because annual 30% increases, approved in 1991, had not been implemented.

The 1994/5 financial year had seen only a six percent increase, he said.

If the 30% increase had been implemented consistently, Touwen claimed, the Post Office would be boasting an R81m profit for the past financial year — instead of a R446m loss.

He said the Post Office's staffing level of 26 000 employees was not considered high because the 88 460 letters handled annually by each employee compared well with countries like the United Kingdom, which made money from its postal service.

After two days of talks with the Post Office, the Direct Marketing Association (DMA) — which represents the country's largest postal service users, including Edgars, Reader's Digest and major banking groups — said it was not satisfied.

"This increase is an enormous mistake — the Post Office has totally misread the mood of business," said DMA spokesman Mr Davy Ivins.

"Poor service and excessive tariffs will lead to a direct, massive and spiralling drop in postal volume.

"A 2,5% reduction is also hardly serious in the light of declining standards," said Ivins.

The Post Office's biggest client, Edgars, which spends R100m on mail communicating with its 3,7m customers every year, said there was no way it could go along with the new increases.

Edgars chief executive officer, Mr Donald Ethridge, said the group did not have a problem paying more if the service was worth the expense.

He said he would be meeting Touwen urgently to negotiate an acceptable deal.

"We cannot pass on a 43% increase to customers, and will have to seek other ways to communicate if we cannot sort something out.

"Our own tests on the postal system have shown that the Post Office's delivery is in no way as efficient as the 84% it claims," said Ethridge.

He added that the proposed 2,5% reduction incentive was "laughable".

In the meantime, Communications Minister Mr Jay Naidoo has undertaken to save the Post Office through extensive new plans to combat fraud and theft.

There will also be an independent investigation into the way the Post Office organisation could conduct its business more efficiently.

RDP FUNDS (297)

UNCOMMITTED BILLIONS

FM 7/3/97

The closure of the Reconstruction & Development (RDP) office in March last year was seen as a vindication of opposition claims that the programme had been a failure — and of the insistence by the ANC's Gill Marcus in a parliamentary finance committee that separation of RDP funds from the national budgetary process was counterproductive.

In the event, as Deputy Finance Minister, Marcus eventually inherited jurisdiction over the programme, and an audit was instituted into what had happened to the RDP's R15bn in budgetary subventions plus a further R600m from privatisation and donors' funds.

Asked about the matter in a parliamentary minidebate, Finance Minister Trevor Manuel sought to stress RDP achievements — but must have been stung by the PAC's Patricia de Lille's accusation that the programme "seems to have been reduced to a desk in the Ministry of Finance." De Lille also complained of a lack of information and of accountability to parliament.



Gill Marcus

According to Manuel, Marcus was compiling a "comprehensive RDP progress report" which would take in the 1996-1997 financial year and be available after March 31. Also, the Department of State Expenditure had set a December 17 deadline for the submission of business plans from the various provincial departments which inherited RDP projects "as part of the process of integrating the RDP allocations into the Budget."

As for specifics, the Minister said: "In some cases, for example where there is a project to provide a community with water, there is a point at which one could say that the project has been finalised. However, with continuing projects such as the primary school nutrition programme or the provision of free health services, one can report on the current extent of the project, but not in the context of finalisation."

The NP's Theo Alant levelled a smoke-and-mirrors charge at Manuel. The RDP had been a "total disaster" and the acceptance of a new growth-orientated economic policy represented a tacit repudiation of the programme's goals, which amounted to unfulfilled election promises.

Manuel hit back with some figures: "More than 200 new clinics have been established; 170 new mobile clinics are in operation; more than 12 000 schools are benefiting from the (nutrition) programme resulting in more than 6m primary schoolchildren being fed. In the 1 000-odd days the ANC has been in government, 1 000 people per day, on average, have gained access to water."

The RDP, he said, "was never conceived of as a kind of President's slush fund that dealt only with some good things in government . . . One has to integrate this into everything one does in government and that is what the record of the RDP shows."

The NP's Netta Malan pointed to an implication of integration of the programme, finding it "shocking" that "unspent RDP funds will be returned to the Treasury to fund the deficit. This is almost like the R200m from RDP funds that we heard of last year that had been given to combat crime.

"Funding to nongovernmental organisations is now channelled through the Transitional National Development Trust, which will be followed by the National Development Agency.

"So the RDP has gone from Jay Naidoo to Deputy President Thabo Mbeki, to Deputy Minister Marcus, to the Transitional National Development Trust, to the National Development Agency. Meanwhile, problems of line of authority, effective management and a lack of capacity are blamed," said Malan.

Manuel revealed that RDP-related business plans to the value of R1,891bn had been passed, adding: "This is the full story. It is a good story."

Perhaps. But De Lille's complaint that no monitoring mechanism exists to provide parliamentarians with accurate and accessible information carries weight.

In theory, having assimilated the RDP into the national Budget, the ANC has made future accountability for specific projects easier to track down. The RDP audit, in turn, should unveil what has happened to previously earmarked funds.

If it cannot do so — because of the serious lack of reporting systems in areas like the Eastern Cape, for example — the phrase "RDP" will continue to embarrass the government that served to make it an icon of economic change and grass roots delivery. *Peter Wilhelm*

Files pile up for Boesak fraud trial

Appeal for fairness

(297) ARG 8/3/97

GLYNNIS UNDERHILL
CHIEF REPORTER

The prosecution case files against veteran anti-apartheid campaigner Allan Boesak, who is being accused of the theft of more than a million rand of foreign funding, are piling up in a safety vault at the Cape Town Attorney-General's office.

While Dr Boesak's daughter Belen has returned to Cape Town from America and urged people at a public church gathering to write letters in support of her father to President Mandela, the trial preparation is going full-steam ahead.

High Court prosecutor J C Gerber said this week there had been no governmental pressure to drop the case.

"There has been no interference from the beginning and we are being given all the assistance we need," he said.

'Investigations have taken years to complete and hundreds of files are piling up'

Meanwhile, Justice Minister Dullah Omar has appealed for Dr Boesak to be fairly treated and not victimised or persecuted on his return. Dr Boesak is expected back in the country next week.

The prosecution team has for the first time been given a text retrieval computer, which will help them access vital data in the case. Investigations into allegations of a misappropriation of funds at the funding agency Foundation for Peace and Justice, which Dr Boesak headed, have taken years to complete and hundreds of files have been piling up in the vault.

There is a list of more than 85 witnesses who could be called to give evidence and Archibishop Desmond Tutu is one of the high-profile people who could be called on to the stand.

As one of the trustees of the Children's Trust Fund, he was alarmed to discover that R423 000 donated by singing star Paul Simon following his 1992 Graceland tour of South Africa had gone missing. The money was being administered by the Foundation for Peace and Justice.

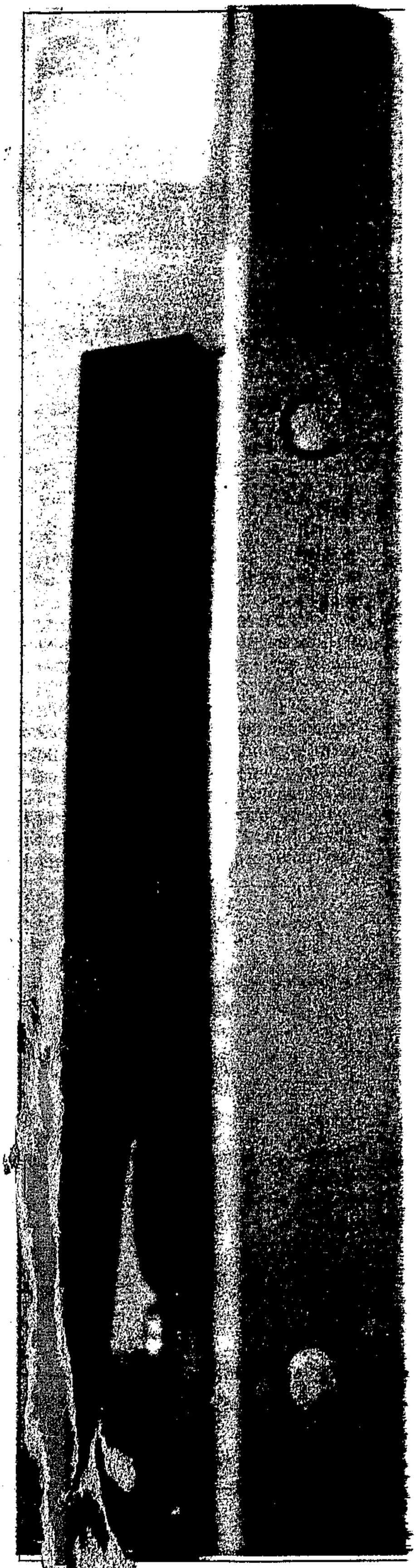
Dr Boesak will appear in the Cape Town Magistrate's Court on March 17 before the case moves to the Cape Town High Court next month. Three months have been set aside for the case in the High Court but it is expected the case could continue for up to a year.

A number of the nine charges of fraud and 21 counts of theft to be brought against Dr Boesak involve the money donated by Paul Simon, as well as funds donated by Coca-Cola in America and several Nordic donors for the victims of apartheid.

Dr Boesak's attorney Irma Lingenfelder told Saturday Argus he intended to plead not guilty to the charges of fraud and theft which the State has brought against him. Along with some members of his staff at the Cape Town-based agency Foundation for Peace and Justice, Dr Boesak was accused two years ago by Nordic aid agencies of misusing R2,7-million of their donor funds.

Johannesburg lawyers Bell, Dewar and Hall, probing the Foundation for Peace and Justice on behalf of the Nordic donors, claimed in a report released two years ago Dr Boesak had "substantially enriched himself" with the funds, buying a house in Constantia, paying for renovations and settling his wife Elna's debts.

Mr Gerber said details of the charge sheet could not be disclosed at this stage. However, Mr Gerber has confirmed Dr Boesak is being charged with the theft of about R1, 05-m. Dr Boesak, 50, lives in California with his family where he returned to religion as a professor of theology.



On [illegible] court prosecutor Advocate JC Gerber, the Ca

Gritty lawyer wants to ensure the disabled feel better about themselves and get a better deal

(297)

Star 8/3/97

By NTHABISENG RAMPONENG

It took a book on positive thinking to bring him to terms with his condition, to accept that he would no longer walk, and to inspire him to return to school to complete his matric.

Today, as a qualified lawyer and recently employed human rights commissioner, Jerry Nkeli is responsible for educating and promoting the culture of human rights to all marginalised groups, primarily the disabled.

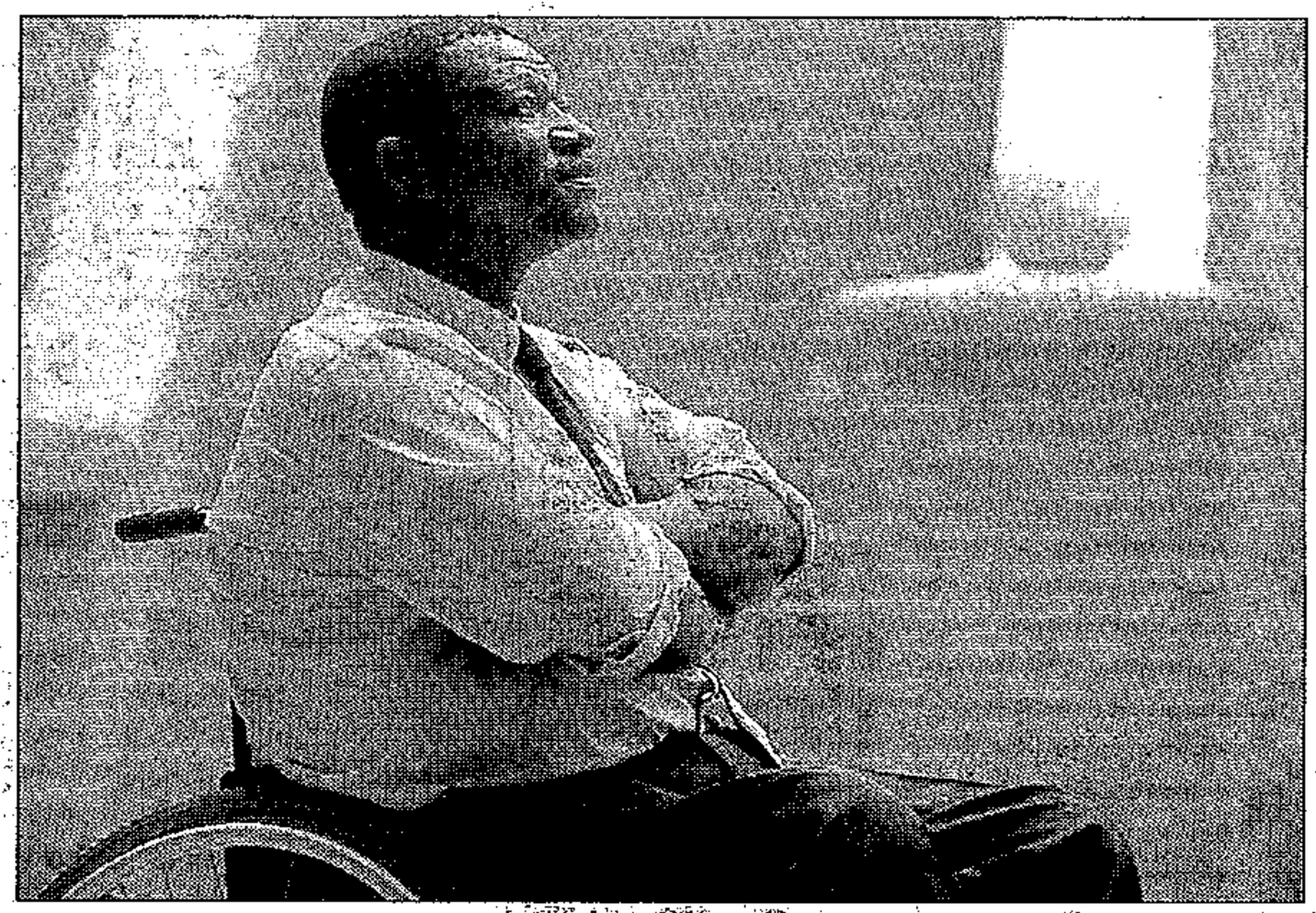
Lack of access has been a major problem facing the disabled in this country, but Nkeli pointed out that for many blacks it was beyond being able to enter a building – it concerned access to basic needs. According to Nkeli, only a small percentage of the physically disabled have access to education, and most live below the poverty line because they have no skills and no means of support.

He said: "I am not at present worried about accessibility at the airport when our township toilets, mostly far from the main house, are not accessible. The priority is educating our people, getting them jobs and houses.

"If disability was defined in broader terms, as part of the socio-economic and development issue, people would have opened up ordinary schools for the disabled instead of special schools which do not gear them for life outside the institution."

Nkeli said only severely disabled people who could not survive in open schools should attend special schools. He described the atmosphere at special schools as patronising, one that bred an inferiority complex and entrenched the idea that you were sick.

"Special schools do not teach learning skills. I stand to be corrected, but very few of their products are in leadership positions," said Nkeli, a father of two.



OUTSPOKEN: Special schools merely entrench one's feelings of inferiority, contends Jerry Nkeli PHOTOGRAPH: JOHN HOGG

Nkeli believes "society is unfair for expecting us to survive but not giving us support. Instead we get thrust in a hostile environment where transport is not accessible, and health facilities are not geared to handle our needs." Circumstances were more difficult for those treated at provincial hospitals, where conditions were appalling.

As part of his work, Nkeli monitors violations of human rights in all state organisations to ensure they are in accordance with the constitution.

Problems – in hospitals or of access generally – he said, arose because there was no consultation with the disabled on issues concerning disability, from committees to high levels of decision-making.

The few available rehabilitation centres, which were not designed with input from the disabled, left much to be desired. What professionals there taught you, Nkeli said, was different from your reality.

"I hated it when they forced me to do the macramé (weaving) or drawing. I was not interested and did not see the relevance, I was not intending to be an artist," he said.

At that stage, people were still traumatised and more concerned with their wellbeing than in what they would do after their release. They should choose what they wanted to do or would rebel, even if the intention was good.

As national development officer of the Disabled People of South Africa, which has made inroads in "sensitising" policymakers' views, Nkeli believes they are well on their way.

Together with the office of the vice-president, the DPSA was among disabled people's organisations that helped draw up a white paper known as the National Disability Strategies, soon to be tabled in Parliament.

The paper embraces clauses from a UN document titled "World Action Programme Concerning Disability", which emphasises equalisation of opportunities with concepts addressing issues such as accessibility of public transport, education, creation of employment opportunities, and de-institutionalising disability.

"We have to restore the dignity of the disabled people, and get it across to people that disability rights are also human rights," said Nkeli.

But, he added, it was a dual process. The disabled needed a voice of their own through consumer and pressure groups wholly run by themselves. The most pressing change was for the disabled to change their self-perception as objects of pity who needed perpetual care, to forming action groups to enforce their rights.

Nkeli's current focus is on discriminatory legislation, such as the Multilateral Motor Vehicle Fund, which, like many insurance companies, regards the disabled as a risk investment; and medical aid disability allowances.

A lot of "sensitising" work lies ahead for Nkeli, but it is important to know there is life after disability.

outcry

Justice minister's support for Boesak sparks

Hellouise Truswell

THE support expressed by Justice Minister Dullah Omas last week for fraud accused Alan Boesak, who is due to face trial on charges involving about R2m later this month, has caused an outcry in the legal fraternity.

Apart from describing Boesak as a "great comrade in arms", Omar, speaking as ANC Western Cape leader, a post formerly held by Boesak, was quoted as saying: "Neither the president, deputy president, cabinet nor the minister of justice were asked for their views with regard to prosecution."

Former judge Rex van Schalkwyk responded: "It is no business of cabinet, the president, deputy president or the justice minister whether the attorney-general should prosecute or not.

"It is the cornerstone of the process whereby the independence of the judiciary is assured that decisions of this kind are taken by the person charged with that responsibility, without deference to any individual or institution. I should have thought that someone in the minister's position would have known better than to imply otherwise."

A straw poll on the statement also drew a barrage of criticism from others in the legal fraternity.

An advocate, who asked not to be named, said decisions on prosecutions were a matter for the attorney-general alone. "Our constitution guarantees presumption of innocence and it is ultimately a matter for the courts to decide. It is perfectly legitimate for the ANC to give a member full support, but when it comes to the minister speaking as minister of justice ... a respectable distance ought to have been kept."

Another advocate said that if the statement was intended to mean the cabinet should in any way have been consulted, and that it was an affront that it was not, "it is a very alarming statement coming from a person who is not only an advocate but the justice minister".

A third advocate said it would be a sad day if politicians had to approve prosecutions, "and the minister should have known better than to make such a suggestion". The view was expressed that it would be inappropriate for the justice minister to express an opinion even after the case.

The NP said that as a justice minister

BD 10/3/97

who was staking his reputation on stamping out corruption, Omar was sending out the wrong signals.

Linda Ensor reports that Boesak will appear in the Cape Magistrate's Court next Monday for a postponement of his trial to the Cape High Court.

Boesak and former Foundation for Peace and Justice bookkeeper Freddie Steenkamp, who is out on bail, face 21 counts of theft and fraud involving more than R1m allegedly misappropriated from anti-apartheid donor funds.

Comment: Page 9

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Full steam ahead for trial as Boesak prepares to face music

(297)

By GLYNNIS UNDERHILL

Cape Town – The prosecution case against veteran anti-apartheid campaigner Dr Allan Boesak, who is being accused of the theft of more than R1-million of foreign funding, is piling up in a safety vault at the Cape Town attorney-general's office.

While Boesak's daughter Belen has returned to Cape Town from America and urged people at a public church gathering to write letters in support of her father to President Mandela, the trial preparation is going full-steam ahead.

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There is a list of more than 85 witnesses who could be called to give evidence, and Archbishop Desmond Tutu is one of the high-profile people who could be called to the stand. As one of the trustees of the Children's Trust Fund, he was alarmed to discover that R423 000 donated by Paul Simon after his 1992 Graceland tour of South Africa had gone missing. The money was being administered by the Foundation for Peace and Justice.

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JUDGMENT DAY LOOMS: Dr Allan Boesak to face charges

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Boesak's attorney Irma Lingenfelder told the *Saturday Star* he intended to plead not guilty to the charges of fraud and theft which the State has brought against him.

Along with some members of his staff at the Cape Town-based Foundation for Peace and Justice, Boesak was accused two years ago by Nordic aid agencies of misusing R2,7-million of their donor funds intended for the victims of apartheid.

Johannesburg lawyers Bell, Dewar and Hall, who are probing the foundation on behalf of the Nordic donors, claimed in a report released two years ago that Boesak had "substantially enriched himself" with the funds, buying a house in Constantia, paying for renovations and settling the debts of his wife Elna. Gerber said details of the charge sheet could not be disclosed at this stage.

However Gerber has confirmed that Boesak is being charged with the theft of about R1,5-million while his former bookkeeper at the now-defunct Foundation for Peace and Justice, Freddie Steenkamp, is being accused of the theft of more than R1,17-million.

Boesak (50) has been living with his family in California, where he returned to religion as a professor of theology. He has been lecturing at the American Baptist seminary in Berkeley for the past 18 months after moving to San Francisco with his wife and his young daughter Sarah-Len.

Social services to get 60 percent of the pie

ARLT 12/3/97

R39-bn to pay interest on State debt

(297)

After setting aside R39-billion to pay for interest on its debt, the Government is to spend nearly 60 percent of the national and provincial government budget on social services.

EXPENDITURE

Education is still the single biggest expense, accounting for 21,3 percent of the total Government spending and 6,5 percent of the Gross Domestic Product (GDP). This figure is very high compared to the international average of 5,4 percent for industrialised countries and 3,9 percent in developing countries.

The SA Police Services received R11,919-billion, up 20,6 percent. The Justice Department got a 15,2 percent raise to R1,812-billion and Correctional Services R3,320-billion, which is a 28,1 percent increase.

Arts, Culture, Science and Technology received R607,6-million – up 12,6 percent.

Foreign Affairs also got a boost, to R1,289-billion, representing a 12,4 percent increase on last year.

Defence received R9,579-billion, a 6,5 percent decrease compared to last year. This is continuing a downward trend which has seen the defence budget reduced from 4,5 percent of GDP in 1989/90 to 1,5 percent of projected GDP in 1997/98.

Government as a whole will be spending 10,7 percent of the total Budget on Health which represents 3,3 percent of the GDP. Social Security and Welfare got R18-billion.

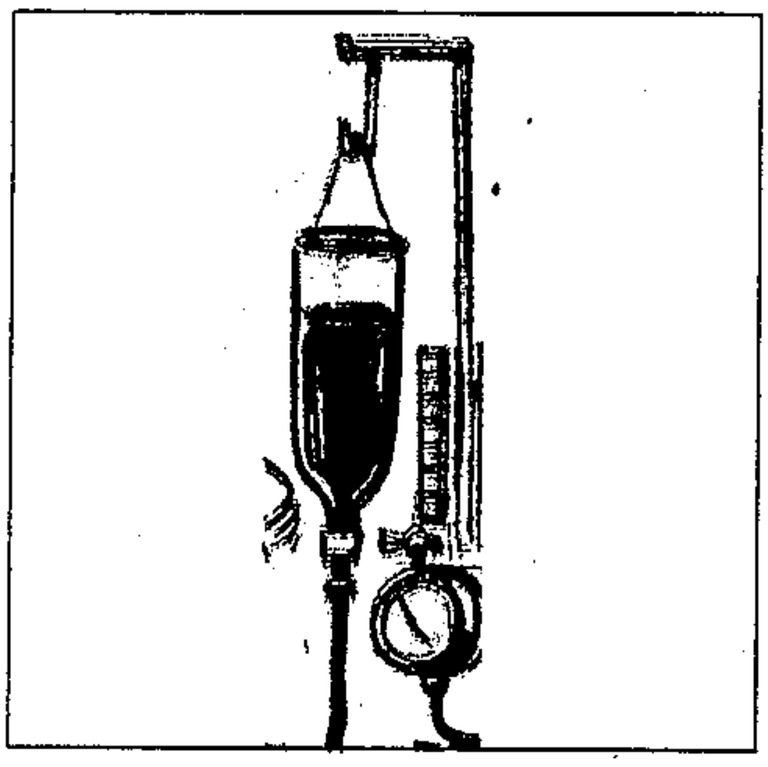
A total of R4,368-billion has been allocated to Reconstruction and Development Programme (RDP) projects.

The housing allocation has been doubled to just over R4-billion. This is 156,4 percent higher than the budgeted amount of R1,764-billion.

Last year the housing vote was less than half this amount, after substantial underspending in 1995/1996. The budget of the department of land affairs amounts to R583-million, 9,7 percent lower than last year.

An amount of R418-million had been set aside for land restitution, redistribution and land tenure.

Health: 10,7% of the cake

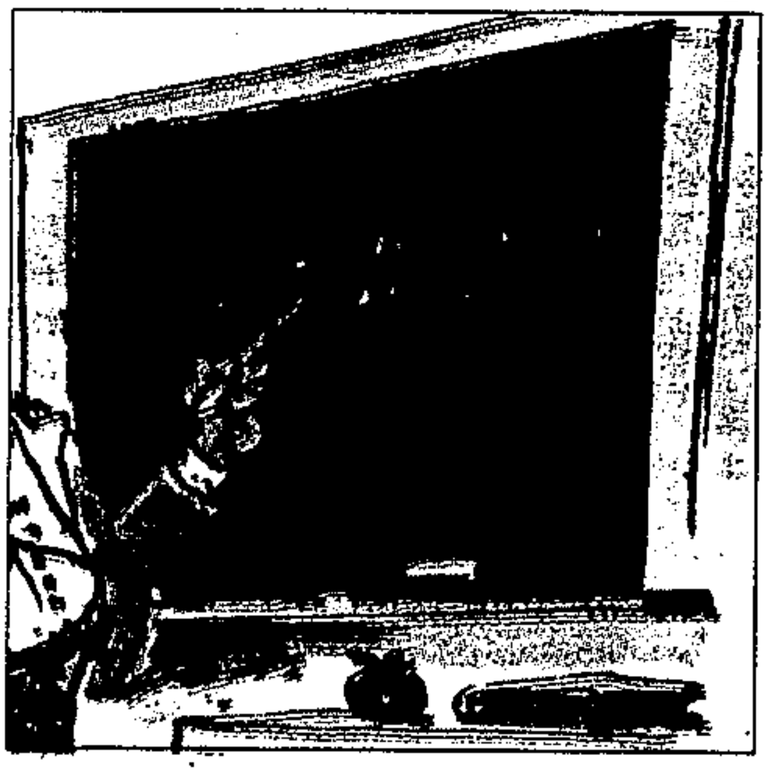


Housing: a double slice

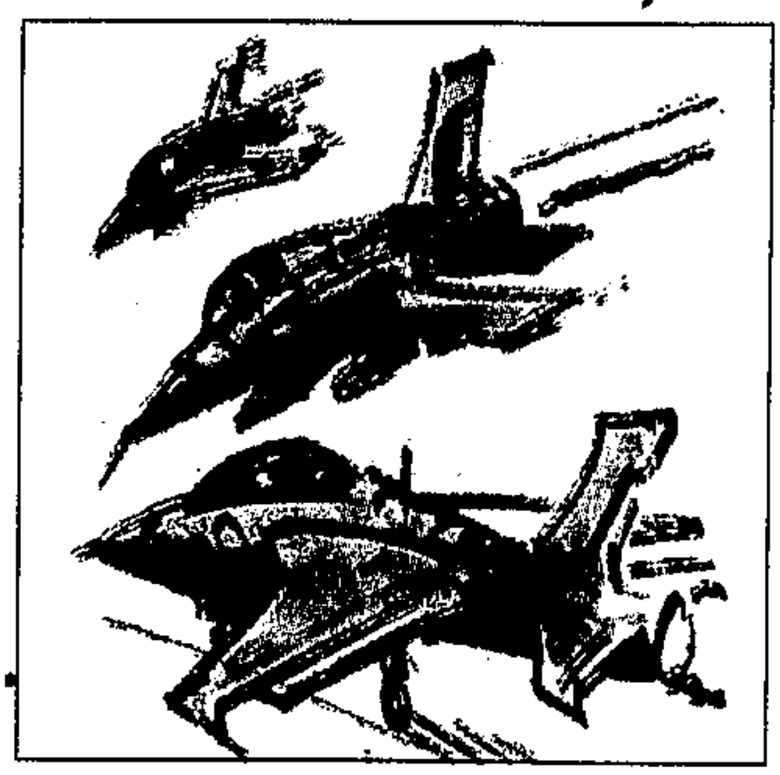


Illustrations: COLIN DANIEL

Education: big spending



Defence: down to R9,5bn



Environmental Affairs and Tourism got R370,5-million, an increase of 13,4 percent.

The Public Works budget amounts to R3,098-billion, representing a 9,7 percent increase. The Budget includes provision for an all encompassing national register of state-owned fixed assets.

Home Affairs received a 32,7 percent windfall, its budget for this year is R520,4-million.

Mineral and Energy Affairs got R807,6-million, an increase of 22,5 percent relative to the 1996/97 allocation.

The Labour Department shows a 5,6 percent drop in its budget to R620,5-million. Public Enterprises has its budget slashed by 51,4 percent to R17,2-million.

The Public Service and Administration saw its budget cut by 21,4 percent. It got R55,3-million. The Public Service Commission's budget was reduced 5,6 percent to R25,6-million.

Water Affairs and Forestry had a cut of 8,9 percent to R2,143-billion.

The Constitutional Development budget decreased to R682,6-million from R1 016-million last year.

The Transport budget had been slightly reduced by 0,3 percent to R3,334-billion.

The Finance Department received R122,256-billion, of which R358,3-million went to losses incurred by the Post Office.

THE BUDGET

Education gets 1,2% boost to R5,5-bn

ARG 12/3/97

Education gets the biggest slice of today's Budget.

The already high education budget increases 1,2 percent to R5,559-billion for this year.

Education will constitute 21,3 percent of total government spending and 6,5 percent of Gross Domestic Product for 1997/98.

EDUCATION

Education also represents 45,5 percent of all social services spending and remains the largest single category of government spending.

Over 80 percent of the education budget is allocated to pre-primary, primary and secondary schooling, with the remainder to tertiary education. About R954-million has been given for school building projects.

Spending on education personnel has been reduced.

"Containment of personnel costs through a right-sizing programme for educators has contributed to the comparatively slow growth for this function," said Mr Manuel.

A total of R5,431-billion will be provided for universities and technikons, including an increase in the subsidy to tertiary institutions to 12 percent.

The University of the Western Cape gets R145,6-million, down from R182,6-million last year, while the University of Cape Town is to get R256,9-million, up on last year's R250,6 million.

The National Student Financial Aid Scheme got R200-million. Mr Manuel said negotiations were taking place to channel more international donor finance in the government kitty to higher eduction. This will include an additional R100-million to be given to the bursary scheme.

The average funding level of institutions of higher education will be 65, 6 percent. In addition, the government will spend more on adult education, from R6,5-million last year to R13,1-million this year.

Protection services share increases to R30-billion

ARG 12/3/97

The protection services – police, prisons, justice, courts and defence – get a bigger share of the budget compared to last year, with a total of R30-billion allocated to them.

This overall amount given to protection services represents an 5,3 percent increase.

The expenditure on police, justice and correctional services will increase by about 15 percent once improvements in conditions of service are taken into account.

SECURITY

"This provides a clear indication of the seriousness with which government is approaching crime," said Finance Minister Trevor Manuel.

Remuneration of employees accounts for nearly 70 percent of the budget of the protection services.

The police's R13,1-billion, is 14,4 percent above last year's level and represents 6,9 percent of total government expenditure and 2,1 percent of the Gross Domestic Product (GDP).

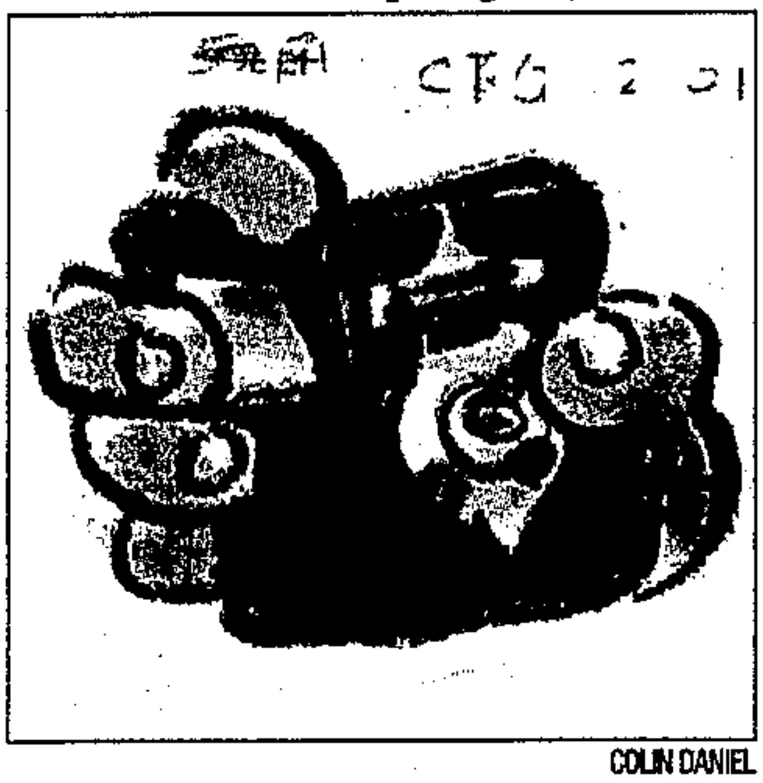
The prison's R3,9-billion, is 23,5 percent more than last year and represents two percent of the total expenditure and 0,6 percent of GDP, while the courts of law get R2-billion, which is a 13,3 percent raise and represents one percent of total expenditure and 0,3 percent of GDP.

An amount of R406-million has been made available this year for the National Crime Prevention Strategy. The strategy will cost R902-million and will run for three years.

The commercial arm of the police has had its allocation increased from R60 500 last year to R101 475.

The allocation to correctional services amounts to R3,32-billion, a 28,1 percent increase over last year. Mr Manuel said

Protection: up by 5,3%



COLIN DANIEL

that during 1996/97 the number of prisoners, probationers and parolees increased substantially, for which additional funding was approved.

A further amount of R442,2-million included in the Department of Public Works for capital expenditure is to be used for building new prisons and modernising existing facilities.

An amount of R28,9-million has also been included in the Public Works budget for an integrated security system at 18 priority correctional centres. A further sum of R3,8-million had been allocated for an education and training project for prisoners this year.

The Justice Department got a 15,2 percent increase, to R1,812-billion. This raise is partly due to an increased allocation to the Truth and Reconciliation Commission and funds allocated to Reconstruction and Development Programme projects that form part of the national crime prevention campaign.

Delivery of RDP projects 'will speed up'

ARG 12/3/97

(297)

The delivery of Reconstruction and Development Programme projects will speed up after the initial slow and bumpy start, says Mr Manuel.

About R4,4-billion had been allocated this year for RDP projects, including R500-million for the government's primary school nutrition programme, implemented in 12 300 schools.

RDP

About R680-million had been given for free health care. The clinic building programme had delivered 297 clinics, 47 residential units attached to existing clinics, 173 mobile clinics, and 44 vehicles to be turned into mobile clinics and 2 358 clinics would be upgraded.

Mr Manuel said projects in place at the end of 1996 would deliver water to 6,4 million people, and 100 000 people would get adequate sanitation.

The government had allocated R100-million for peace initiatives in KwaZulu Natal.

The urban renewal programme, which aimed at rapid and visible improvements in municipal infrastructure, had been given R245-million and about R2,034-billion had been allocated over five years.

A further R300-million had been given for land distribution, R500-million for the water supply and sanitation programme, R200-million for the Maputo corridor and other spatial development projects, and R350-million for housing infrastructure.

Partly as result of rigorous planning, RDP projects were slow in getting going, Mr Manuel said. "Good progress with implementation is now evident, which will be reflected in accelerating project delivery during 1997," he added.

Social spending constant

(297) BD 13/3/97

Wyndham Hartley



CAPE TOWN — Total spending on social services is up by about R8bn — but as a percentage of gross domestic product (GDP), the share of the budget given to these services has remained constant in the new estimate of state expenditure.

Finance Minister Trevor Manuel also announced in his budget speech that poverty relief programmes costing more than R1bn would be announced later this year when the adjustment estimate is tabled in Parliament. Social pensioners can expect a 9,8% increase in their grants from July 1. This will raise the basic grant to the elderly without other means of support from R430 to R470 a month.

Much of the estimated spending on social services such as education and health is contained in the global allocations to the provinces. This money will be spent according to a framework agreed to by the provinces in the Budget Council.

Spending on social services was R81,368bn in the1996/97 budget and this has increased almost 9% to R88,6bn. As a percentage of the total budget, spending has increased by 1%. But it remains almost the same as last year as a percentage of GDP — 14,2%. Inflation predicted for the budget cycle is 8,5%. Half of the total expenditure on social services goes on salaries and wages.

A similar amount, 45%, goes to education spending which, while it has a nominal increase of 2,8%, remains one of the largest budget items at 21,3% of the total budget.

The health budget, a combination of national and provincial spending, has been increased by 9,5%, while social security and welfare has gone up by 12,2%.

About 90% of the welfare budget will be spent on social grants to individuals and grants to organisations providing social assistance or welfare services. Provision has also been made for the first phase of the new child support programme.

Manuel told the National Assembly provincial spending was strongly concentrated on education, health and welfare services and that "calculated on a consolidated basis, these social functions will take up 55% of noninterest spending by the national and provincial governments in 97/98".

Later this year, he said, R300m for community-based poverty relief programmes would come on stream and there would be a R1bn increase for the provision of social security. An amount of R75m will also be provided later for flat-rate child support grants, the main recommendation of the Lund Committee.

With the abolition of the Reconstruction and Development Office, the reconstruction and development programme (RDP) fund is now used as a conduit for donor funds, rather than as a channel for allocations to RDP projects. However, an allocation of R4,368bn is provided for carry-through costs of RDP projects already under way. RDP projects are now provided for in the normal budget process.

The budget review noted that partly as a result of the stringent planning requirements set for RDP projects, they were slow in getting going. However, it promised that there would be accelerated project delivery this year.

Parties laud extra money for poor

Star 13/3/97 (297)

By Hopewell Radebe and Anso Thom
Political Staff

Parties across the political spectrum have congratulated Finance Minister Trevor Manuel for benefiting the poor and pouring more funds into the fight against crime.

Labour Minister Tito Mboweni, in his capacity as head of the ANC's policy department, welcomed the broad thrust of the Budget, particularly its focus on poverty alleviation, increases in old-age pensions, continued emphasis on social spending and a reduction in the Budget deficit, and tax relief for people earning up to R60 000 a year.

National Party finance spokesman Dr Theo Alant described the Budget as "generally a good Budget".

"(It) contained many laudable instances of improved fiscal discipline and improved management of government funding," he said.

He welcomed the high priority afforded to safety and security and the provision of socio-economic services but said it demonstrated a shocking insensitivity towards the agricultural sector of the economy. "The rebate on agricultural diesel has been abolished, leading to an immediate increase of 20c per litre."

DP spokesman Ken Andrew said the Budget had a number of positive features, including the relaxation of exchange control, additional poverty relief programmes, the increase in social old-age pensions and more money to fight crime.

The Freedom Front called it a "watershed Budget speech" that was revealing of the Government's commitment to its economic plan, but other parties warned that the state's deficit should be markedly reduced in the next 10 years.

SA Communist Party general secretary Charles Nqakula welcomed the targeted tax relief for lower-income earners and the significant increase in the housing budget. "Also to be welcomed are increases in public works, social welfare and pensions, justice and police," he said.

Pan Africanist Congress parliamentary adviser Bennie Bunsee said the Budget lacked boldness in taxing established business to be able to balance economic standards between the poor and the rich.

He applauded tax reductions for the middle-income group, but said the Government should have been more considerate to the poor by zero-rating basic foodstuffs.

■ A pressure campaign to force the Government to deliver on 1994 election promises went into the streets of Cape Town yesterday. Cosatu, public sector unions and several student organisations joined forces to highlight their unhappiness with budget cuts to universities and technikons, the student financial aid scheme and poor delivery of the RDP.

Phosa's brother in RDP probe

MtG 14-19/3/97 (297)

Ali Phosa is being investigated in connection with the disappearance of about R500 000 of RDP funds. Ann Eveleth reports

STATE-OWNED port operator Portnet is investigating alleged mismanagement of Reconstruction and Development Programme (RDP) funds by the brother of Mpumalanga Premier Matthew Phosa.

The parastatal said this week it wanted Ali Phosa to provide receipts for his expenditure during his two-year stint as co-ordinator of RDP projects at Durban Port, the busiest in Africa. Around R500 000 is under investigation.

Phosa denied the allegations on Wednesday, telling the *Mail & Guardian* it had "no business" inquiring into Portnet affairs. Port manager Bax Nomvete, who called an emergency meeting on Wednesday to ensure all queries were channelled to him, was unavailable.

But Portnet human resources executive Patrick Dada confirmed that the investigation was under way, following allegations by port union representatives in a recent joint forum with managers.

The investigation is understood to centre on claims that Phosa paid cash to RDP projects that could not be traced, to individuals in contravention of Portnet regulations and for items which did not qualify as RDP items. These allegedly included a video camera, a marquee, tents and consulting fees.

Dada would not comment on the veracity of the allegations until the investigation is complete: "I cannot say whether they are true or false. They are being investigated. If there is any substance to the allegations, they will be exposed internally.

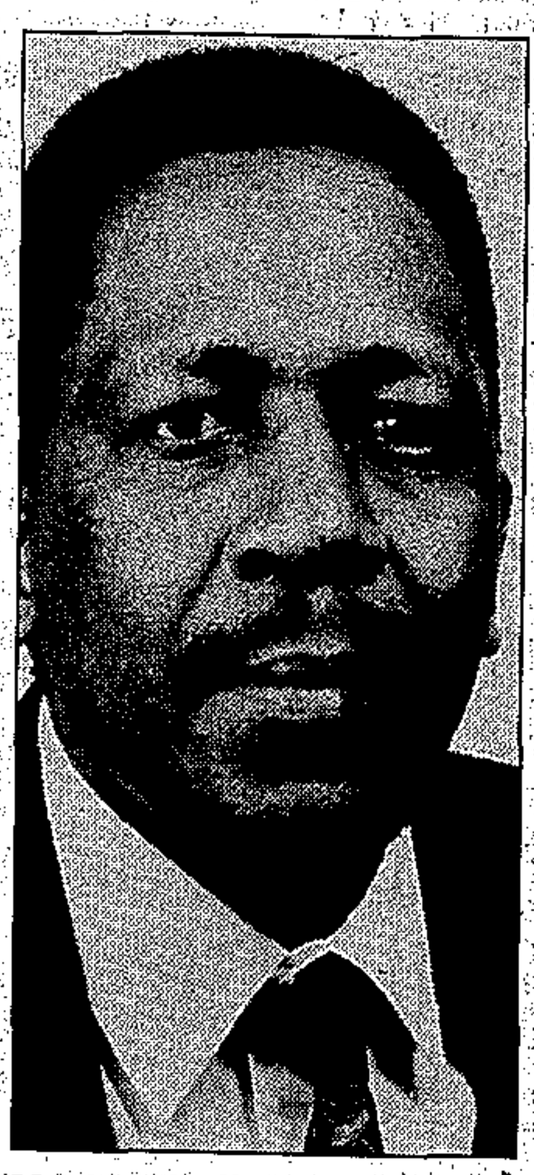
"The trade unions have a right to know that our RDP projects are benefiting their communities and are not just a corporate public relations exercise. In this context, we have said the books must be opened, Phosa must explain how he has spent the money and show receipts."

Dada said the parastatal spent between R7-million and R10-million a year on RDP projects nationally. He referred further questions to Durban port human resources manager Arthur Mzimela, who referred the matter to Nomvete. Mzimela said Phosa would have reported directly to Nomvete.

Phosa told the *M&G* he had never heard of the organisation to which he is alleged to have paid consulting fees, and that the camera in question was in his office. He said he would be handing his response to Nomvete.

Dada said Phosa's RDP post — as well as all other RDP posts within the parastatal — had been dissolved in a process aimed at integrating the RDP into existing departments.

It was unclear what post Phosa currently holds as he refused further comment. But several employees said he had been promoted to the post of port security manager.



Matthew Phosa: His brother is a Portnet port operator

Legal aid for Boesak in R1-m fraud trial

(297)

GLYNNIS UNDERHILL
CHIEF REPORTER

ARG 15/3/97

Veteran anti-apartheid campaigner Allan Boesak, who is being accused of the theft of more than R1-million of foreign funding, has qualified for legal aid due to his impoverished state.

Dr Boesak had passed the "means test" which revealed his limited income, said Peter Brits, senior legal administration officer at the Legal Aid Board

He added that everyone was entitled to a fair trial.

"Dr Boesak is being charged with very serious matters and if found guilty, he could face direct imprisonment without the option of a fine," he said.

The once high-flying politician arrived back in South Africa on Thursday and is expected in Cape Town this weekend. Dr Boesak, who will appear in the Cape Town Magistrate's Court on Monday, returned to the pulpit in San Francisco after his dramatic fall from grace.

The political row over the public support given to the apartheid veteran by Justice Minister Dullah Omar, who is also leader of the ANC in the Western Cape, continues on the eve of Dr Boesak's trial date.

The Democratic Party and the National Party have criticised a statement released by Mr Omar in his capacity as leader of the ANC in the Western Cape in which he salutes Dr Boesak as a "great comrade in arms in the struggle against apartheid and for the creation of a democratic South Africa".

"Whilst we respect the processes of the law, we point out that the President,

To page 3



Back in SA: Dr Allan Boesak and his wife, Elna, outside his attorney's offices in Pretoria

P.T.O

R1-m fraud, theft trial – legal aid pays for defence of 'impoverished' Boesak

ARGUS 15/3/97 (297)

From page 1

the Deputy President, the Cabinet and the Minister of Justice were not asked for their views with regard to investigations which were conducted into alleged mismanagement of funds or in connection with any possible prosecution," the statement concluded.

While the ANC has been questioned as to whether it is "subverting the rule of law" by releasing a statement of this nature, Mr Omar's spokesman Paul Setsetse told Saturday Argus the minister had no further comment to make.

"People have a right to their own opinions and the minister has nothing further to add," he said.

A former ambassador-designate to the United Nations in Geneva, Dr Boesak was set to join the international jet-set when he and some members of his staff at the Cape Town-based agency Foundation for Peace and Justice were accused of misusing funds.

Nordic aid agencies accused the FPJ of misusing R2,7-million in donations intended for victims of apartheid.

Mr Brits said Dr Boesak's attorney Irma Lingenfelder would still be representing him as she had already investigated affairs related to his case. "It was an economic decision as she had done the preliminary preparation," Mr Brits added.

It is not yet known how much the case will cost the Legal Aid Board, which is largely funded with public funds approved by Parliament.

Dr Boesak will appear in the Cape Town Magistrate's Court on Monday before the case moves to the Cape Town Supreme Court next month.

Three months have been set aside for the case in the Supreme Court, but it is expected the trial will continue for up to a year.

A number of the nine charges of fraud and 21 counts of theft to be brought against Dr Boesak involve money donated by pop star Paul Simon from the proceeds of his hit album *Graceland*, as well as funds donated by Coca-Cola in America and several Nordic donors.

Mrs Lingenfelder said this week that Dr Boesak would plead not guilty to the 30 charges he faced.

Dr Boesak has been lecturing at the American Baptist seminary in Berkeley, California, for the past 18 months after he moved to San Francisco with his wife Elna and their four-year-old daughter Sarah-Len.

A defiant Dr Boesak has always maintained he is innocent of all charges and has described the allegations as "a grave travesty of justice".

CHURCHMAN IN THE DOCK

Survivor Boesak walks long road to justice

BD 17/3/97

(297)

VETERAN anti-apartheid fighter Allan Boesak, survivor of a number of political and marital tribulations, is fighting for what remains of his political life, writes **CAROL CAMPBELL.**

EMBATTLED churchman Dr Allan Boesak is to appear in court for the first time today to face allegations that he and a former bookkeeper enriched themselves with more than R1 million intended for apartheid victims.

Whatever the outcome of the trial, Boesak will also be remembered as a poor child of the Kalahari who worked his way to a top position in the church and became a leading voice in denouncing apartheid.

The seeds of his political career were sown in 1967 when he was a newly ordained minister of the (coloured) Nederduits Gereformeerde Sendingkerk in Paarl and the government decided his church and the homes of many in his congregation were on land intended for whites.

It was not the first time the Group Areas Act had turned his life upside-down. At 17 his family were forced out of their home in Somerset West to make way for whites.

For six years in the early 1970s Boesak studied in the Netherlands, where he gained his doctorate with a dissertation entitled Farewell to Innocence: A Social-Ethical Study on Black Theology and Black Power. By the time he returned home in 1976 his political career had taken root.

In 1982 he appealed to a meeting of the World Alliance of Reformed Churches to declare apartheid a heresy and in so doing cemented his international reputation as a freedom fighter.

He was later made president of the organisation.

With Mr Trevor Manuel, now Minister of Finance, and Mr Dullah Omar, now Minister of Justice, and others he established the United Democratic Front in 1983. While many of the ANC's leaders went to live in exile, Boesak stayed behind to

In 1994, the ANC chose Boesak to lead their election campaign in the Western Cape, the only province the ANC lost to the National Party.

But the overall victory of the ANC guaranteed Boesak a top political post and he was earmarked to become South Africa's ambassador to the United Nations in Geneva.

Just two weeks before he was scheduled to take up his new appointment in 1995, Mr Freddie Steenkamp, a bookkeeper at the Foundation for Peace and Justice, incriminated him during an investigation into missing funds.

Boesak lost the ambassadorship and, with his family, moved to the United States, where he became a lecturer at a Baptist seminary in California.

He has now returned home to South Africa to plead his innocence to nine charges of fraud and 21 counts of theft.

The money he and Steenkamp allegedly took had been donated by Scandinavian charities, singer Paul Simon and the Coca-Cola Foundation in the US.

The investigation started when a Danish charity, Dan Church Aid, tried to find out what had become of the R4,17 million it had channelled to Boesak to help victims of apartheid.

Only a quarter of the money could be accounted for. The rest, it was alleged, had been dished out in loans to staff members and used to buy staff cars and maintain a lavish entertainment account. Only weeks after Dan Church Aid dropped the bombshell that it was investigating Boesak, Archbishop Desmond Tutu and the leader of the Black Sash, Ms Mary Burton, called in police to find out what had happened to R423 000 given by Paul Simon to the Children's Trust, another charity administered by Boesak.

Deputy President Thabo Mbeki appointed a one-person investigation into the scandal. It cleared Boesak of any involvement. The defrauded charities rejected the finding and refused to drop the theft and fraud charges.



FAMILY SUPPORT: Dr Allan Boesak stays close to his wife, Elna, and daughter on his return to Cape Town yesterday. ***PICTURES: BENNY GOOL***

Out of ANC character to deny old comrade moral support

ZUBEIDA JAFFER

EMOTIONS ran high when Dr Allan Boesak arrived in Cape Town yesterday. ANC marshals, with great difficulty, restrained the crowd, which was ready to surge forward at the sight of their former leader as he emerged from the VIP lounge.

Some journalists, local and foreign, were astounded by the emotion. "This is over the top," said one.

"How can the Justice Minister come out in support of somebody facing serious charges?" said another.

"There is no problem here. (Mr) Dullah Omar is here as Western Cape ANC leader," said somebody from the Afrikaans press.

If I were Omar, I would have had important business or a family commitment at the time of Boesak's arrival. Now that the country is so desperately trying to transform the justice system, it would have been more appropriate if he had delegated his welcoming function to someone else.

If the Justice Minister creates the impression the legal system is controlled by people from the "old regime" and therefore cannot be trusted, citizens can hardly be expected to have any faith in that system.

But that the ANC came out to support Boesak in the way it did yesterday can only be admired. It reminds me of something former president Mr P W Botha said at the time the National Party "retired" him.

He commented on how the ANC honoured its leaders, such as Mr Oliver Tambo, who were no longer able to perform their functions. He was reported to have said he did not experience the same in his party.

Denying Boesak the party's moral support would have been out of character. It would also have ignored the fact that this nation has come through a period of great turbulence in which Boesak played no small part. I can understand the emotion that I saw in the crowd yesterday.

There was Mr Johnny Jansen, chairman of the police and prisons union, Popcru, guiding his members to marshal the large crowd. I remember how he had in the mid-eighties worked quietly to organise in the prisons and the police force for a greater commitment to "justice for all". Boesak was one of the people he turned to for help during the state of emergency.

Comment

Then there were the women of Elsie's River who were there to welcome him. There were the families from Worcester who had constantly asked for his help at a time when the political leadership was either banned or in prison.

There too was Sheikh Gamiet Gabier, part of the religious leadership who had been whipped and arrested during various states of emergency — religious leaders who had stood firm when there was no free political activity.

I can understand the emotion. I wonder why some of my colleagues cannot.

Perhaps it is for some of the same reasons that half of America could not understand why the other half supported O J Simpson. This is not an apt analogy. O J Simpson faced charges of murder, Boesak, misappropriation of funds. In one sense the two cases cannot be compared, in another they can be.

Both throw into sharp focus the uneasy contradictions in the criminal justice system. However uncomfortable it makes us, we cannot ignore the question that Boesak posed yesterday: "Why is it that I have to come home to face criminal charges when those who destroyed our children and murdered our people sit in Parliament today?"

There is more at stake here than whether minister Omar should have publicly declared his support for the former ANC leader.

With Boesak today will go on trial what all South Africans mean by justice for all. Public sentiment could potentially divide people into "separate camps" of not so long ago.

However, if sensitively handled by the media and all political parties, it could provide an opportunity to acknowledge that we have tremendous work to do in building a common South Africanness out of extremely opposite experiences.

It could also be an opportunity to deepen the debate around the transformation of the justice system so that all South Africans can one day soon accept that they are truly equal before the law.

help lead the internal fight against apartheid.

In 1985, he founded and headed, as director, the Foundation for Peace and Justice, which channelled money from foreign aid agencies into South Africa to fight apartheid.

In the same year, he was caught, by spying security police, having an affair with Ms Di Scott, a divorcee who worked for the South African Council of Churches.

The affair blew over and his wife of 21 years and mother of four of his children, Mrs Dorothy Boesak, forgave him. His political career continued to strengthen.

In 1990 staff at a Sea Point hotel tipped off a reporter that Boesak was "sharing a room" with television producer Elna Botha, who was married to TV presenter Colin Fluxman. This time round Mrs Boesak divorced him, Boesak resigned from the church and he married Elna, who gave birth to a girl a year later.



BROTHERS IN ARMS: Dr Allan Boesak is greeted warmly by ANC Western Cape leader Mr Dullah Omar, the Minister of Justice, on Boesak's return to the city yesterday afternoon.

Omar slated for welcoming Boesak

Has the justice minister taken leave of his senses, asks DP, and NP finds reference to 'struggle book-keeping' beyond belief

Star 17/3/97 (297)

STAFF REPORTERS

Opposition political parties today condemned Justice Minister Dullah Omar's warm welcome in Cape Town yesterday for Allan Boesak on the eve of his trial today on fraud charges amounting to R1-million.

Douglas Gibson of the Democratic Party said this morning that Omar had "taken leave of his senses".

He said: "When the person entrusted with upholding the rule of law in the country acts in a self-indulgent and quixotic way, it is time to question whether he is the right man to be South Africa's minister of justice."

Boesak's court appearance in Cape Town follows an investigation by the Office for Serious Economic Offences.

The allegations have already cost Boesak an ambassadorship to the United Nations in Geneva.

Boesak arrived back in South Africa on Friday from the United States and yesterday flew to Cape Town, where he received a hero's welcome and declared that when he goes on trial, "the struggle for justice will be on trial".

Omar led a welcoming reception of 800 people as leader of the ANC in the Western Cape, a post

> **"Heightens scepticism of donors ..."**

confirmed that Mandela had asked Omar to welcome Boesak: "The president believes he is a decent man, not a monster or ogre. It is normal practice when you know a person has difficulties for decent people to support each other.

"The rule of law in this country is that a person is presumed innocent, until he is found guilty. Therefore it is not necessary to treat Boesak as if he is an animal," Mankahlana explained.

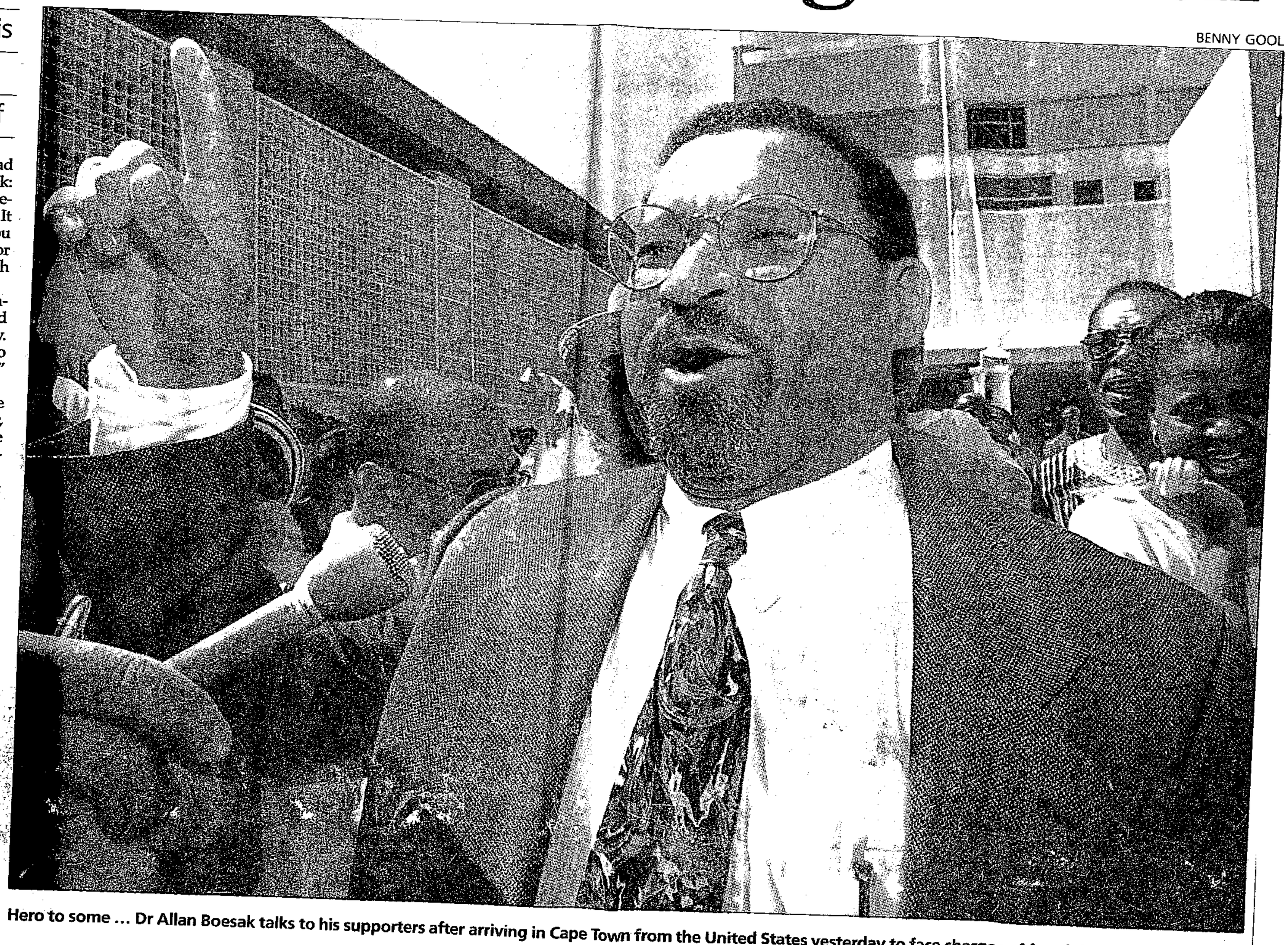
National Party justice spokesman, Sheila Camerer, joined Gibson in criticising the welcome Omar extended to Boesak.

She said the NP believed it was unsuitable, unacceptable and unjustifiable for a minister of justice to intervene and make comments on behalf of an accused person while the case against that person was pending.

The minister's latest comments on this case, namely that "struggle book-keeping" might be to blame for the charges against Boesak, almost defied belief, Camerer said.

The minister should remember that this case was being heard against a background of commercial crime and corruption which, according to the Nedbank Corporation report, cost the country

BENNY GOOL



Hero to some ... Dr Allan Boesak talks to his supporters after arriving in Cape Town from the United States yesterday to face charges of fraudulent use of funds.

previously held by Boesak.

Omar said yesterday he was acting on the instructions of President Mandela to show that the ANC had not forgotten Boesak's contribution to the anti-apartheid struggle.

"We are people who do not have short memories," Omar said.

This morning the President's spokesman Parks Mankahlana

R30-billion.

Camerer said Omar should also remember that the most damaging aspect of the Boesak case was to heighten scepticism of foreign donor agencies channelling much-needed aid to legitimate South African non-governmental organisations.

Omar's office was not available early today to respond to the criticism.

Star

17/3/97



PRODIGAL: Boesak greets old comrades after his first court appearance in connection with the alleged misappropriation of anti-apartheid movement donor funds.

Fallout mounts at ANC backing

CT 18/3/97 (297)



WHILE THE ANC may be trying to manage a crisis by its open support for Boesak, it is running into flak, reports **ROGER FRIEDMAN.**

BY coming out as vigorously as it has in solidarity with its beleaguered former Western Cape chairperson Dr Allan Boesak, the African National Congress could be trying to limit possible long-term damage to the party resulting from his criminal trial, sources in the party say.

But the short-term fallout from the ANC's explicit support for Boesak ahead of his trial — which has been led by the party's Western Cape leader Mr Dullah Omar, who also happens to be the Minister of Justice — is mounting.

And Boesak's description of his trial, on charges of embezzling anti-apartheid movement funds, as an extension of the liberation struggle is proving contentious.

Yesterday Boesak formally handed himself over for arrest at Caledon Square police station before making a brief Magistrate's Court appearance, at which he was charged with 21 counts of theft and nine of fraud involving more than R1 million in donor funds. The case was postponed to August 4 for trial in the High Court, and Boesak was freed on his own recognisance.

He plans to plead not guilty, but was not asked to plead yesterday. Standing trial with him is his former book-keeper at the aid agency the Foundation for Peace and Justice, Mr Freddie Steenkamp.

Among those watching the proceedings were Omar's adviser Mr Enver Daniels, and some ANC officials and MPs. About 100 Boesak supporters mobbed their returned hero outside court.

Meanwhile, the Democratic Party called for a parliamentary debate on Omar's open support for Boesak, the National Party labelled the ANC's support for Boesak "direct interference in the legal process", and a member of the Human Rights Commission expressed concern that the signal the ANC was sending could undermine efforts to curb government corruption.

Certain prominent members of the ANC in the Western Cape expressed disquiet, too, but on condition of anonymity only. Omar, who said on Sunday that President Nelson Mandela sent him to welcome home Boesak at Cape Town Airport, had previously explained that before the country's first democratic elections the ANC was sometimes forced for security reasons to operate in ways that would be considered inappropriate in a democratic environment.

Although the government, and specifically his department, had not interfered with the process leading to Boesak being charged, Omar said, this did not mean that the ANC had turned its back on the former church leader and ambassador-designate to the United Nations in Geneva. In any case, Boesak was innocent until proven guilty.

Boesak told his welcome home party in a marquee at the airport: "When I go on trial the struggle for justice will be on trial, the struggle for freedom will be on trial and all of my people will be on trial. If I am guilty then the struggle will stand condemned."

He said the struggle would continue until injustices, such as his being prosecuted while members of the apartheid regime went free, came to an end. While he had thought the struggle would largely end with the inauguration of Mandela as president, now he found himself "continuing to fight against the same people".

A member of the Human Rights Commission, Ms Rhoda Kadalie, herself a member of the ANC, yesterday rejected "with contempt" Boesak's statement that the struggle would stand trial alongside him.

"He makes himself synonymous with the struggle, which is the height of arrogance. Many of us who were involved in the struggle have not been charged with theft. In any event, as a minister, he should know that your good works are filthy works in the eyes of God if you aggrandise yourself. To equate himself with the struggle is an insult," Kadalie said.



Pictures by **BENNY GOOL**

She said the ANC was "undermining our efforts to halt corruption in government departments", and pleaded that the legal system be allowed to take its course.

Mr Patrick McKenzie, NP MP said it was clear that the ANC was "laying the table for an O J Simpson trial".

He feared that regardless of the evidence that might be presented against Boesak, the anti-apartheid struggle would be used to discredit the judiciary and the legal process.

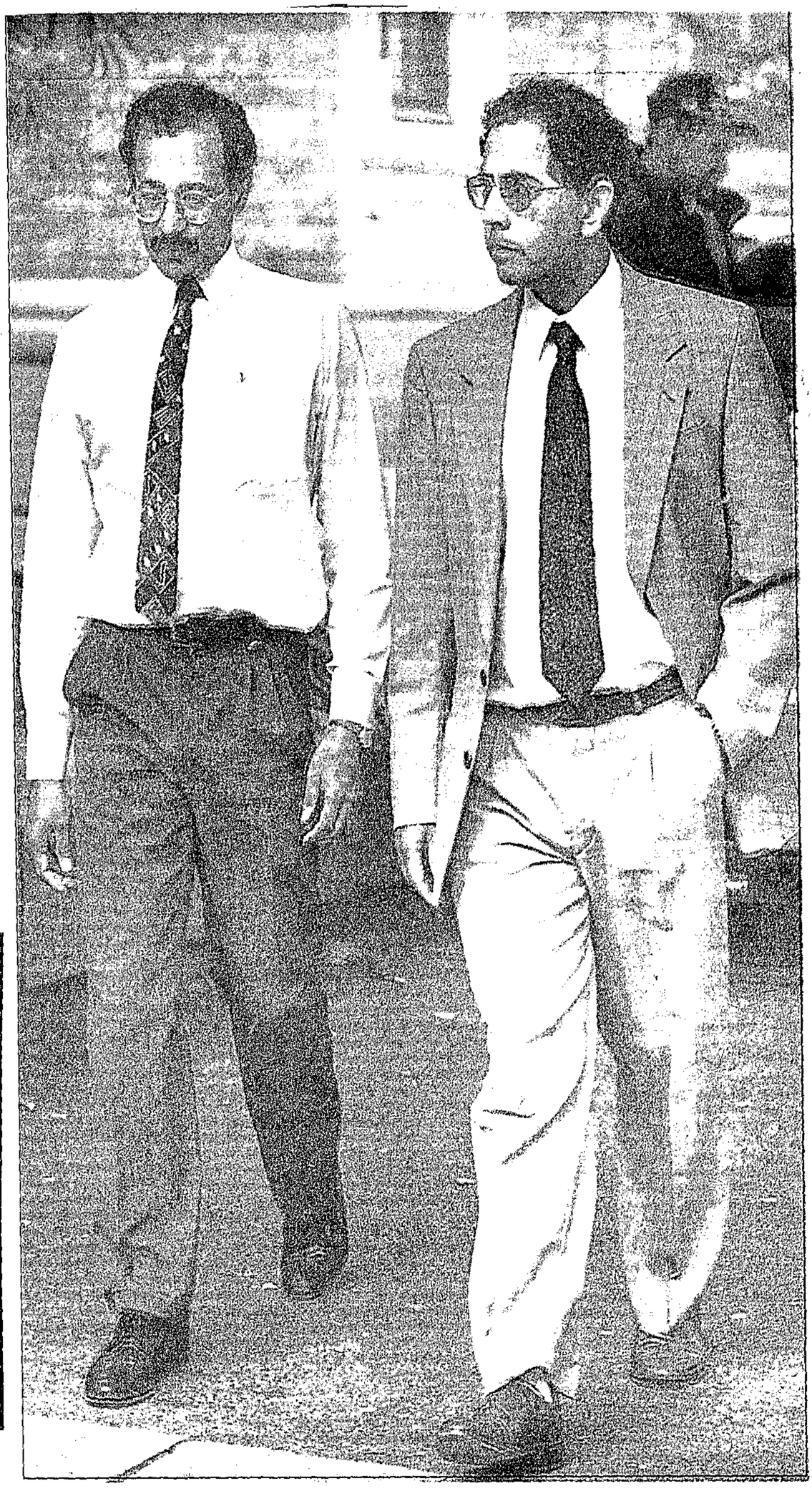
Danchurch Aid, the Danish funding agency, had instigated the investigation into the Foundation for Peace and Justice's books, not the National Party-led previous government, he said.

Although the National Party fully subscribed to the principle of a person being innocent unless proven guilty, South Africa was in danger of being labelled a banana republic should the ANC continue to "interfere in the legal process".

The DP's justice spokesman, Mr Douglas Gibson, said: "When the person who is entrusted with protecting and upholding the rule of law acts in a self-indulgent and quixotic manner, then it is time to question whether he is the right man to be South Africa's Minister of Justice."

It was correct to consider Boesak innocent unless he was proven guilty, but the courts should be allowed to go about their work free from interference, Gibson said.

Sources in the ANC were divid-



WATCHFUL: Among those at court to witness Boesak's first appearance yesterday were magistrate Matthew Albertus (left) and Enver Daniels, adviser to Minister of Justice Dullah Omar.

ed over whether they agreed with the level of the party's support for Boesak. They pointed to Boesak's relative popularity in the coloured community as a possible plus-factor in having him back in the region. His welcome-home party at the airport was one of the more exuberant ANC functions in the province in recent times.

It would be improper for the ANC to turn its back on Boesak, who was a leading member of the anti-apartheid movement through the 1980s, they said, and it was correct that the ANC should support him in cases where poor bookkeeping at the Foundation for Peace and Justice deliberately obscured struggle-related transactions.

The sources speculated, however, that certain members of the ANC could fear the implications for members of the government should Boesak have been abandoned during his trial. In this respect, Boesak might not have settled for less than a show of solidarity from national ANC structures.

By maintaining — or restoring — its relationship with Boesak the ANC was counting on him to keep embarrassing revelations to a minimum.

TUTU, NISSEN LISTED

Boesak: All the state's witnesses

(297)

CT 18/3/97

ALLAN BOESAK may not meet some old friends until his trial is over as the Magistrate's Court has ordered that he should not communicate with potential witnesses, many of them anti-apartheid luminaries. **RONALD MORRIS** and **CHRIS BATEMAN** report.

LEADING anti-apartheid activists may be called as witnesses against Dr Allan Boesak when his trial on charges of theft and fraud begins in the Cape High Court in August.

According to a list of 167 names attached to the charge sheet submitted to the Magistrate's Court, Cape Town, yesterday, Archbishop Desmond Tutu, theologian Dr Beyers Naude, truth commissioner and former Black Sash president Mrs Mary Burton, Boesak's former lawyer, Mr Essa Moosa, Western Province MEC for Economics Mr Chris Nissen and several clergymen prominent in the Western Province Council of Churches are among the witnesses who may be called by the state.

Boesak may not even meet some of his old friends for tea because the court, in freeing him on his own cognisances, has imposed strict conditions that prevent him from communicating with state witnesses.

Other conditions are that Boesak surrender his passport, may not leave the country without written permission from the Attorney-General and must report to the police, in Cape Town or Pretoria, every Sunday.

The charges Boesak faces relate to the misappropriation of funds from the Foundation of Peace and Justice (FPJ), of which he was director.

He handed himself over for arrest at the Caledon Square police station before appearing briefly in the Magistrate's Court on 21 counts of theft and nine of fraud involving R1 million in donor funds.

Boesak, who has said he intends to plead not guilty, was not asked to plead. His co-accused is Mr Freddie Steenkamp, former FPJ bookkeeper.

Several top advocates in Cape Town were sharply critical yesterday of the public support Justice Minister Dullah Omar has shown for Boesak — although the General Council of the Bar has taken a softer, more cautious line.

Fallout from ANC backing — Page 9

Compromising the judiciary — Page 10

One advocate said it was a "sad reflection on our society" when the Justice Minister embraced a suspected criminal. This created pressure for the state prosecutor in the case, he said. "I don't believe for one second Omar's taking part in that circus will have any effect on a magistrate or judge — it'll probably make them more circumspect — but (Omar) could have said something about letting justice take its course".

Mr Malcolm Wallis, chairman of the General Council of the Bar, said he had "noted the minister's remarks on the independence of the prosecuting authorities" and, in the light of these, did not want "to comment further".

Speaking at the hero's welcome accorded Boesak at Cape Town International Airport, Omar emphasised the independence of the Attorney-General's office and claimed that the ANC had not meddled in the process leading to the charges against the former United Democratic Front leader.

Said another advocate: "Loyalties I can understand and admire, but rather write to Boesak and keep it private."

He said that, because his magistrates and judges were independent, it was understandable Omar felt he could say what he pleased.

Most of the advocates believed Boesak's comment that the "struggle" would also be on trial was a clever political ploy.

One advocate, close to the UDF struggle Boesak spearheaded in the Western Cape, said huge sums had come into the country for "all sorts of purposes" and "under the cover of some very odd titles".

Another, questioning why "so many people are going so far to show solidarity" with Boesak, suggested that several highly-placed MPs might have been central to the allocation of vast sums of overseas funding during the struggle. "There was a sense of entitlement and the sentiment among supporters was 'Why shouldn't our leaders live in fine houses and drive luxury cars?' "

The head of DanChurch Aid, Ms Elsebeth Krogh, DanChurch Aid general secretary Mr Christian Balslev-Oleson and other Scandinavians also feature on the list of state witnesses.

Political row grows over Omar backing for Boesak

CLIVE SAWYER
POLITICAL CORRESPONDENT

(297)
ARG 18/3/97

The storm over Justice Minister Dullah Omar's backing for Allan Boesak as he faces a fraud trial is building, with a call for a parliamentary debate on the issue.

Mr Omar's protestations that his support for Mr Boesak is being demonstrated in his capacity as an African National Congress provincial leader – rather than as Minister of Justice – have been rejected by opposition parties.

The Democratic Party's Doug Gibson, who called for the parliamentary debate, said: "Has Mr Omar taken leave of his senses? He has lent his support to an attack on the rule of law, with which he has been entrusted with protecting and upholding."

The DP said Mr Boesak had the right to be presumed innocent until proven guilty.

"Instead of addressing the charges against him, however, Mr Boesak has chosen to present himself as a political martyr and to smear the justice system with the claim he is now fighting 'the same people' he was compelled to fight under apartheid," Mr Gibson said.

National Party spokesman Patrick McKenzie said it was clear that the "struggle" would be used to discredit the judiciary and the legal process, by turning the Boesak trial into an O J Simpson-style event.

Mr McKenzie said South Africa risked being labelled a banana republic by what he termed the direct interference of the minister of justice in a legal process.

The NP also supported the principle that a person was innocent until proven guilty. "However, it seems as if the ANC and the minister of justice have already found that a person involved in the struggle is innocent and will remain so – regardless of the legal process."

Mr McKenzie said the precedent this set would be that anyone could excuse a crime by blaming it on the struggle.

The Pan Africanist Congress also expressed misgivings about ANC government members supporting Mr Boesak.

Editorial comment, page 15

The Star ... Tuesday March 18 1997

'Arrogant' Boesak in the dogbox over struggle claim

Star 18/3/97

Movements say the fight against apartheid was more noble than fraud accused is making out

(297)

By Hopewell Radebe
and Own Correspondent

Allan Boesak has been accused of "cheap politicking" for claiming on his return from America that his trial on fraud and theft charges in Cape Town would amount to a trial of the entire anti-apartheid struggle.

The former ANC leader in the Western Cape appeared briefly in court yesterday and his trial was postponed until August 4 on charges of theft and fraud of more than R1-million in donor funds.

The ANC has already been condemned for the favourable statements made by Justice Minister Dullah Omar about Boesak and his coming trial.

Rhoda Kadalie, an ANC member of the Human Rights Commission, rejected "with contempt" Boesak's statement that the struggle would stand trial with him.

"He makes himself synonymous with the struggle, which is the height of arrogance. Many of us who were involved in the struggle have not been charged with theft. To equate himself with the struggle is an insult," Kadalie said.

She said the ANC was "undermining our efforts to halt corruption in government departments" and pleaded that the legal system be allowed to take its course.

The PAC's response from its secretary-general Ngila Muendane was that although it was good for Boesak to be supported by friends, it was dangerous for senior ANC members of Government to get involved.

The PAC felt Boesak's personal contribution "could never be equated to the entire anti-apartheid struggle".

David Lebethe of the Azanian People's Organisation said Boesak should not issue statements that might discredit the struggle.

Lebethe said Azapo was worried that Omar's actions reflected "a sincere lack of support for his department's decision to prosecute Boesak".

National Party MP Patrick McKenzie said it was clear that the ANC was "laying the table for an O J Simpson trial".

McKenzie said he feared that, regardless of the evidence which might be presented against Boesak, the anti-apartheid struggle would be used to discredit the judiciary and the legal process.

ANC spokesman Ronnie Mamoepa said Boesak was exercising his human rights when he expressed an opinion such as the one he had.

■ Boesak made a brief appearance in the Cape Town Magistrates' Court yesterday morning and was instructed to appear in the Cape High Court on August 4 for trial.

Magistrate Gerrit Olwage released Boesak on his own recognisances but under strict conditions.

'Arrogant' Boesak in the dogbox over struggle claim

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(297)

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Gauteng increases social spending

297

Vuyo Mvoko

GAUTENG education would receive R5bn of the province's R13,718 budget allocation, an 11% increase from last year but a 9,5% reduction from current spending levels, finance and economic affairs MEC Jabu Moleketi said in his budget speech yesterday.

Health's R4,7bn would mean a 23% increase from last year, while welfare and population development's R2,3bn would be 31% higher than last year and 17% compared to current spending levels. The remaining R1,7bn would be spread across the 10 other votes made up of the several provincial ministries.

Overall the province's 1997/98 budget allocation would be 14% higher than last year's with 94% of the amount coming from the national revenue account — and being 16% higher than last year. The remainder would come from provincial revenue sources.

Pleased that "for the first time Gauteng has been treated as a government rather than an administration", Moleketi said the share of the budget allocated to health, education and welfare had increased from 85% to 88% overall. Capital spending had also been maintained at a high level and its "projects will as far as possible be conducted in a labour-absorbing manner and in a way which utilises small, medium and microenterprises".

"The intention is to maintain the momentum of high capital spending over five to seven years to address the capital and maintenance backlogs which affect many health, education and other institutions."

Moleketi said the budgeted expenditure on personnel was "11,2% below the current expenditure levels" due to a reduction of 6 000 in the number of employees, most of whom were taking severance packages.

Moleketi promised improvements in financial management to increase efficiency and to put an end to the rolling over of funds. There would be "internal privatisation" in terms of which a service-supplying component was funded not by appropriation but by fees paid by government departments utilising its service, and the department would "monitor spending on a continuous basis".

On the province's economic prospects Moleketi said: "Gauteng in fact has a problematic growth trajectory."

Its traditional industrial base was "under threat" following the export-orientated growth strategies of some industries (like Iscor, which was moving to Saldanha Bay) which were moving to coastal areas.

However, the province "should not seek to resist the movement" of firms to coastal sites for it was in the interests of SA that firms be located where it made most business sense.

"Instead we should have a growth strategy which builds on our competitive advantages."

Picture: Page 4

BD 19/3/97

CAPE TIMES
THURSDAY, MARCH 20, 1997

PRETORIA LAWYERS TO TRAVEL TO CAPE

Aid Board to pay for Boesak's legal team

(297) CT 20/3/97

THE PRETORIA Legal Aid Board will give financial assistance to Allan Boesak for his trial in the Cape High Court — expected to cost up to R1 million.

DR Allan Boesak's lawyer, who will act for him when he stands trial in the Cape High Court in August on charges of fraud and theft, said yesterday the complexity of the charges Boesak faced justified asking the Legal Aid Board to pay for two advocates, an attorney and forensic accountant.

Mr Chris Petty, senior partner of the Pretoria law firm Stegmans, said this as criticism mounted at the Pretoria Legal Aid Board's decision to fund Boesak's legal costs.

Observers said the trial was expected to run for six months, at a cost of an estimated R1 million.

Petty said a partner in the firm, Miss Irma Lingervelder, had previously acted for Boesak and his wife Elna in 1995. "Because of that relationship Boesak expressed a wish for her to act for him in this case."

He said: "It was obvious that Boesak did not have the money to fund a trial of this nature. The board was satisfied that Boesak had passed the written means test."

According to the Constitution, said Petty, every person is entitled to be represented by a legal representative of his choice. "If he is unable to pay, the state must pay."

Petty said he had motivated the use of a Pretoria attorney and advocate on the basis that Lingervelder had represented Boesak before and the advocate had been used previously. Stegmans was also Boesak's choice, and on that basis the board had decided to appoint them.

Petty said after he had seen the charge sheet he decided it was obvious that Boesak would need a forensic accountant. The board had agreed but the details of who it would be and the costs involved, had not been finalised.

"Because of the complexity of the case, I decided I needed a senior counsel. Mr Peter Brits (senior Legal Aid official) and Mr Nick Pretorius (director of Legal Aid Board) said it's unusual but they wanted me to motivate it in writing."

"There is no dispute ... the Legal Aid Board had gone out of its way to be of assistance," he said.

Petty confirmed Boesak would have two attorneys, but that was an internal matter because he and Lingervelder would work together.

Asked about criticism about the costs of accommodation and travelling between Pretoria and the city, Petty said the Attorney-General of the Cape, Mr Frank Kahn, had indicated the trial would run for about six months. He would try to live in Cape Town in the cheapest way possible, Petty said.

A senior legal source said yesterday the question still remained why it was necessary to brief an out-of-town attorney and an advocate because of the travelling and accommodation expenses. "There's no reason why Freddie Steenkamp (Boesak's co-accused) should not be treated the same way." The source said he did not think the board should grant Boesak the extravagance of appointing a senior counsel. Ordinarily people were granted representation through the Cape Bar Council.

Supplement to MAIL & GUARDIAN
March 1997

No easy walk for welfare NGOs

M+G (Bm) 20- 26/3/97 (297)

Tough financial times and fundamental change in South Africa have meant individual NGOs have had to refocus, reports **Mike Thiel**

IN the 1940s, a small group of University of Cape Town medical students were so outraged by the lack of medical services in the Cape Flats that they got together and provided a weekly clinic for needy people.

Their philanthropy grew into UCT's Students' Health and Welfare Centres Organisation (Shawco), a non-governmental organisation that today has a permanent staff of around 60, an annual budget of R5-million and involves about 600 volunteer students a year in projects ranging from Aids education to adult literacy, enhancing the lives of thousands of people. UCT likes to boast that it's now the largest student-run welfare organisation in the world.

While Shawco provides crucial health, welfare and social services through its centres in Khayelitsha, Manenberg, Elsies River, Kensington and Nyanga in the Western Cape, it is facing some of its toughest financial times in its 50-year existence.

"It seems to me harder and harder to get money from South African corporates," says Shawco's permanent director, Glenn Truran, pointing out that a lot of foreign donors that used to fund NGOs like Shawco have chosen to channel money through the post-apartheid government.

In South Africa, Truran says, corporates are now tending to spend more on their own staff development rather than funding other causes. When they do give money, it's largely to education projects because they can get better tax breaks through this sort of funding.

He says that more than 50% of giving in South Africa comes from individuals — not corporations — and that for NGOs, asking for money from individuals is still a growing business.

The government is presently restructuring its own welfare spending in an attempt to equalise money spent per person across the provinces. That inevitably means less welfare spending in the Western Cape, historically one of the provinces where spending per capita has been higher than most other provinces.

Truran says these times of financial hardship dictate refocusing and streamlining within the organisation.

UCT's Rag committee, consisting this year of 140 students, raises funds specifically for Shawco. Last year it made R520 000, says the 1997 chairperson, Charles Ainslie. That's several hundred thousand rand down from a couple of years ago. Many sponsors have decreased their sponsorship both in real and nominal terms, Ainslie says.

In the past two years, he adds, there has a been a marked trend for sponsors to demand more mileage for their money — coverage at student and corporate events organised by Rag — than in the past, where they were happy to give just for the sake of it.

UCT Rag has also been racked by competition from a black fund-raising organisation on campus that raises money specifically for university fees for disadvantaged black students, and by the changing racial composition of the university's student body. Money-raising events have had to change to attract black students.

But Ainslie is upbeat: "We are seeing this as a transformational time, and we're hoping to come out of this stronger."

Despite the demise of the apartheid regime, Truran says, NGOs are still vital to South Africa's growth and development. "It's a world trend for governments to do less and civil society to do more. ... Initially the new regime [in South Africa] was desperate to be seen to be the deliverer and I think they've become more sober as they've realised their limitations. NGOs fill the cracks. The government is very slow. I can't envisage life without NGOs — it's one of the fastest growing industries."

State's R170-billion plan to supply basic needs

Star 20/3/97

Millions of South Africans live in deprived circumstances

(297)

By Jovial Rantao
Cape Town

Seventeen million South Africans have no electricity, 8 million have no formal road access to residential areas, 4 million have access to untreated water only and a further 8 million have minimal sanitation, according to the Department of Constitutional Development.

The department said the estimated cost of eliminating the backlogs, based on an affordable mix of basic, intermediate and full service standards, was approximately R170-billion.

The Government had started to address this through the Municipal Infrastructure Programme, which included a system of grants which would assist local authorities to provide services to the poor up to at least a basic level.

The department said a total of R1 351,7-million had been allocated to provinces in this regard; R1 265,5-million had already been committed to actual projects.

All project funds to be spent by year's end

All project funds were expected to be spent by the end of the year.

A total of 1 089 projects would be supported by the funds, of which 369 projects were currently on site, and a further 115 were complete.

It had been estimated that these projects would provide new or rehabilitated infrastructure services to 12,14 million beneficiaries.

The programme had also yielded some employment and training opportunities. Projects had provided work for 68 000 men and 11 000 women and youths.

These projects were also providing accredited vocational training to 28 000 men and 2 500 women and youths.

"It's estimated that by the end of 1997 a total of 242 520 people will have been employed on projects through the Municipal Infrastructure Programme. In addition, a total of 94 303 people will have been trained on the programme," the department said.

CHILD AND FAMILY SUPPORT

297

MPs OPPOSE PHASE-OUT

FM 21/3/97

Parliament's welfare committee is obstructing the hasty implementation of the Lund Report on Child & Family Support, which recommends that State maintenance grants be phased out.

On March 5, the Cabinet endorsed the Lund committee's recommendation that a moratorium be placed on new grant applications.

The system is costing the State R1,2bn a year and reaches about 400 000 beneficiaries most of whom are coloured, Indian and white.

The Welfare Department swung into action to give effect to the Cabinet decision, though the welfare committee had not yet debated nor held public hearings on the Lund report.

At a tense meeting last week, the committee insisted that the department inform it of any further steps designed to implement the Cabinet's decision.

Briefing the committee, Welfare DG Leila Patel said the system was unaffordable and in disarray. The number of beneficiaries was growing at almost 8% a year and if all those eligible applied, it would cost the State R5bn-R20bn/year.

The department argues that the new system of child benefit grants will save the State billions and reach many more of the poorest children as well as eliminate the geographic and racial inequities of the existing system.

The Cabinet has agreed that State maintenance grants be phased out over five years, from August 1997, at an annual rate of 20% — a monthly reduction of R140 for households which now get the maximum grant of R700/month.

Children up to the age of 18 are eligible under the present system, which pays out R430 per parent and R135 per child for a maximum of two children.

It will be replaced with a flat-rate child support benefit of R75/month per child under the age of six. A household means test will target the grant at 30% of the poorest families — 3m children. This will be phased in over seven years, from August. It is estimated that it will cost R2,7bn/year (in 1996 rand) when implemented in full. The 1997-1998 Budget allocates R75m to the scheme.

Patel told the committee the department would prefer a deadline of April 1998 but has been asked by Welfare Minister Geraldine Fraser-Moleketi and the intergovernmental forum of national and provincial Ministers (Minmec) to do everything possible to launch the scheme by August. ANC MP Judy Chalmers expressed the fear that meeting the early deadline could result in chaotic payment of grants. "I have enormous concerns and wonder whether the Cabinet took full cognisance of everything at stake and whether August 1 is attainable."

The Black Sash demonstrated outside parliament on Budget Day to protest against the way government is steamrolling the measure through.

"The decision to push the measure through before parliament has had the opportunity to hold hearings shows contempt for parliament and exposes the ministry's supposed commitment to openness and participation as a sham," says spokesman Alison Tilley.

Welfare committee members are also querying the Lund Committee's figures, which allow a child R1,72 a month for fruit and R1,63 for fish. Welfare organisations say it is impossible to feed and clothe a child for R75/month.

Depending on the outcome of the public hearings, the Black Sash may consider legal action to stop the report's implementation by challenging the grounds on which the Minister may stop the payment of grants, as well as the possible infringement of the constitutional right to social security and equality.

Claire Bisseker

BOESAK TRIAL (293)

THE STRUGGLE CONTINUES

FM 21/3/97

Allan Boesak's success in politicising his trial — with help from ANC Western Cape leader and Justice Minister Dullah Omar — indicates that the charismatic preacher turned political activist intends to use every weapon at his disposal to clear his name.

The former ANC Western Cape leader appeared in the Cape Town Magistrate's Court this week in connection with nine counts of fraud and 21 of theft relating to the alleged misuse of R1m of anti-apartheid funds. Boesak has returned voluntarily from self-imposed exile in

San Francisco, buoyed by Omar's pledge of "solidarity and support." He has also qualified for legal aid.

The smartly dressed but slightly aged former cleric was mobbed by adoring fans chanting his name at court where he was accompanied by his wife, Elna.

No charges were put to him and he was not asked to plead. The case was postponed to August 4 in the Cape Town High Court for plea and trial.

It emerged during court proceedings that Archbishop Desmond Tutu is a State witness. Deputy Attorney-General J C Gerber says Tutu is involved in his capacity as a former trustee of the Children's Fund, which was set up by the Foundation for Peace & Justice (FPJ) to administer a R423 000 donation from the singer, Paul Simon.

Boesak's lawyer Chris Petty says Boesak will plead not guilty. He is to be tried jointly with former FPJ bookkeeper Freddie Steenkamp. Boesak has handed in his passport and must report to his local police station once a week.

On his arrival on Sunday, Boesak received a rousing welcome at Cape Town International airport from more than 500 ANC supporters led by Omar, prompting a fresh attack by the NP.

The party has accused Omar — who has staked his reputation on stamping out corruption — of trying to influence legal proceedings against Boesak.

NP MP Sheila Camerer says the Minister's comment that "struggle bookkeeping" might be to blame for the charges against Boesak, almost defy belief.

Omar says he was mandated by the ANC leadership structure — including President Nelson Mandela — to welcome Boesak at the airport. He denies he has interfered in the legal process.

But in-so-far as he has helped to politicise the trial, Omar has played into the hands of the defence by appearing to view the political environment at the time of Boesak's alleged offence as a potentially mitigating factor.

Boesak told the airport crowd he was innocent. The entire apartheid struggle would stand on trial with him and if he was found guilty, the struggle would stand condemned for what it had done.

DP MP Douglas Gibson has called for a parliamentary debate on Omar's support for Boesak.

"Boesak has chosen to present himself as a political martyr and to smear the justice system with the claim that he is fighting the same people he was compelled to fight under apartheid. Yet the Minister of Justice embraces him publicly and declares that those who object to this show of political partisanship are elements of the old establishment.

"Has Omar taken leave of his senses? He has lent his support to an attack on the rule of law which he has been entrusted with protecting and upholding . . . It is time to reassess his fitness as Minister of Justice."

The NP says Omar should remember that the case is being heard against a background of commercial crime and corruption which cost SA about R30bn a year, and that it had heightened the scepticism of foreign donor agencies channelling aid to legitimate NGOs.

The ANC says Boesak deserves respect for the manner in which he handled the crisis by withdrawing from all government posts offered to him.

Boesak withdrew from the post of Ambassador to the UN in Geneva in 1995 just two weeks before his was due to take it up when he was incriminated by Steenkamp. He left SA under a cloud. *Claire Bisseker*

Caring for the homeless is a fight without end

Star 22/3/97

Change and transformation mean claims for welfare grants take months to process

(297)

By JOHN MAKONI

It is Wednesday evening and the Smal Street branch of the Methodist Church's Paballo ya Batho (Sotho for "Welfare of the People") organisation is preparing for its nightly mission.

Director Judy Bassingthwaighte has a few words of advice for the volunteers: "When we go out and meet the people on the streets, do not step on their cardboard mattresses. If they are asleep, wake them up by a gentle tap on the shoulder. If you know them well, call them by their names, they will appreciate that."

Two teams of about 10 each head off into the night. The medical team goes on a wound-dressing and pill-supplying tour. The feeding team, with dozens of loaves and buckets of soup, makes its first stop at the Every Child Is My Child shelter in Jeppe Street, which is run by Miriam and George Baloi.

In a television room, young men, who appear to be stoned on glue, greet the feeding team with sarcasm. There are 15 of them. The rules are displayed on the walls: No drugs, no weapons, respect for others.

At a shelter for children and adults alike in Twist Street, children as young as 5 stream out of the dark rooms calling "Judy, Judy" and receive cups of soup and a large chunk of bread.

So it goes from 6pm to 10pm as the feeding team does its rounds. Mandhla and Leonard (they chose only to reveal their first names) help distribute the food but they themselves come from inner-city shelters for the homeless. They say: "The problem with these boys is they do not want to be tied down by rules in the shelters."



TEMPORARY: The authorities avoid setting up permanent shelters for streetchildren that discourage reintegration into their communities

Near Park Station, some youngsters are sniffing glue.

"It makes them numb and they become less worried about their horrid conditions. It also makes them warm when it is cold," explains a volunteer.

The plight of thousands of the older street dwellers is going to get worse as winter approaches. Thousands of people eligible for social pensions have been unable to claim their payouts because they have no fixed address. This basic Department of Welfare condition has left many in a catch-22 situation: they need the pension to get a fixed address, but cannot get the money until they have it.

Currently there are no plans to directly provide for the more than 1 000 people living on the streets of the city. Among them are also many desperate, disabled younger people entitled to disability grants.

Bassingthwaighte says governmental change and transformation has meant that processing pension and disability claims takes a long time. She has tried, with minimal success, to secure pension and disability grants for homeless people.

Gauteng Welfare and Population Department spokesman Samantha Collins says the department is aware of the many destitute people, and allows those who feel they qualify for social grants to use addresses of church organisations or other institutions.

Collins says there are other basic requirements, such as possession of an ID book, which must be met before grants or pensions can be approved.

If the individual concerned applies for a disability grant, the department wants proof of the medical problem in the form of a report from a district surgeon and another from a general practitioner. These must state clearly that "the individual is at least 18 years of age and is unfit to obtain employment due to his physical and mental condition".

A source in the department says applications take a long time to be processed because the department has had to deal with massive fraud. Last year, the department found that more than 14 000 deceased people were still being paid pensions.

About 2 million people receive social pensions in Gauteng.

The R1-billion set aside for social security in the national welfare budget of R18-billion will be absorbed by an increase in pensioners' payouts, says Minister of Welfare and Population Development Geraldine Fraser-Moleketi. The 9,3% increase beats the current inflation rate of 8,4%.

Homeless and other underprivileged people will not benefit from the R1-billion social security budget because they fall under the ambit of other poverty-alleviating programmes, especially in rural areas. These will mainly target unemployed women with children under the age of 5.

About half a million orphans are expected by 2004 because of the Aids epidemic, the minister estimates, adding: "To control the number of streetchildren, it is important to discourage permanent structures for children in cities. Shelters should only be bridging institutions in which children stay for between 60 and 90 days, before going back to the formal community."

AHI warns of social welfare burden

ARG 24/3/97 (297)

BUSINESS EDITOR

The Afrikaanse Handelsinstituut has expressed concern at the shift in emphasis in the Budget towards social welfare.

In a statement issued after the executive's meeting in Cape Town, the AHI said the shift in spending away from the productive side of the economy was a concern.

"Social welfare is a consumer function and therefore places a larger burden on the productive side of the economy. This increased burden will restrain the competitiveness of South African enterprises," the Handelsinstituut said, calling on the Government to "pay close attention to the effectiveness of state expenditure".

There was a growing perception in the business community that the cost effects of policy changes for business were not always taken into account.

Policy steps which implied higher costs included the proposed Employment Standards Act and new affirmative action measures, the statement said. "The competitiveness of South African enterprises should not be hampered, otherwise the potential of the economy will not be realised."

re-apply.

Their employment would depend on unconstitutional.

Legal aid chief defends role amid furore over fees logjam

ARG 25/3/97

WILLIAM-MERVIN GUMEDE
POLITICAL STAFF

As thousands of lawyers wait for payments, the director of the Legal Aid Board, Nic Pretorius, has dismissed claims that his management style is autocratic.

He denies showing lack of accountability, transparency and communication.

In testimony to the National Assembly's justice committee, which is holding hearings on alleged mismanagement of the board and the restructuring of South Africa's legal aid system, Mr Pretorius said he was "amazed" at the allegations.

In a submission to the committee, the Association of Law Societies alleged a "chronic disability of proper management" on the board and a lack of clear vision or mission. The association said the board was struggling to pay 63 000 outstanding amounts to attorneys and advocates briefed by the board.

"Many attorneys and advocates wait two or three years before they get paid," the association said.

Mr Pretorius told the committee the board was not being mismanaged but was hamstrung by a shortage of skilled staff.

It had begun a special project to eliminate backlogs in payments to lawyers over the next 100 days. About 22 000 accounts were older than 60 days.

Boesak's court bills: aid explained

ARG 25/3/97 (297)

POLITICAL STAFF

Former anti-apartheid leader Allan Boesak qualifies for legal aid because he has no income and no assets, according to a senior official of the Legal Aid Board.

Peter Brits, the board's senior legal administrator, said that if Dr Boesak was convicted of fraud and theft it was likely he would be sent to jail.

Dr Boesak is accused of misappropriating about R1 million donated to underprivileged South Africans by a Danish aid organisation while he was head of the Foundation for Peace and Justice.

At a National Assembly justice committee hearing into the Legal Aid Board, Mr Brits was asked by Democratic Party member Douglas Gibson to explain why Dr Boesak qualified for legal aid.

Mr Brits said the board had a statement signed by Dr Boesak that he had no income and no assets.

The board had already approved the costs of an attorney and a junior counsel for the case in the High Court in Cape Town in August.

An additional application by Dr Boesak for a senior counsel was being considered.

■ The Legal Aid Board may reclaim about R659 000 it paid consultants Ernst & Young for setting up a computerised accounting system that did not work.

Board director Nic Pretorius told the National Assembly justice committee that the board had declared a legal dispute with Ernst & Young and demanded its money back.

Committee chairman Johnny de Lange said it seemed that someone involved in the contract had been grossly negligent.

Mathew Ohlsson was last seen by his

Abe Williams investigation hots up

ARG 26/3/97 (297)

JOHAN SCHRONEN
CRIME CORRESPONDENT

The probe into alleged irregularities by former health and welfare minister Abe Williams is gaining momentum, as detectives of the Office for Serious Economic Offences investigate the awarding of a pension payout contract.

The office's Cape Town head, Tommy Prins, said the investigation into Mr Williams and the Nisec company were linked, but were being focused on individually. Nisec had been contracted to make pension payouts in the Cape.

Mr Williams has been named as a suspect in the inquiry into alleged irregularities surrounding the awarding of a lucrative contract to Nisec to pay Cape pensions.

Meanwhile the Office for Serious Economic Offences is also investigating the circumstances of the pension payout contract to Nisec, valued at least R149-million over five years.

Mr Williams resigned within hours of detectives of the Office for Serious Economic Offences raiding his Cape Town and Pretoria homes and Nisec offices in Port Elizabeth last year.

Mr Prins said the probe into Nisec's activities was the first leg of the investigation and should be concluded and ready for the attorney-general's consideration by May, after which the investigation would focus on Mr Williams.

Omar defiant as furore over Boesak grows

ARG 27/3/97 (297)

CLIVE SAWYER
POLITICAL CORRESPONDENT

The furore over Justice Minister Dullah Omar's support for Allan Boesak has erupted in Parliament, with Mr Omar accusing his critics of undermining the justice system – the accusation they have levelled against him.

A defiant Mr Omar told National Party and Democratic Party critics: "I want to warn these parties of the old white establishment that nothing they say is going to influence me in the things I say ... in furthering the aims and objectives of the new democratic order."

His remarks are likely to fuel the controversy over his public support for Dr Boesak, former ANC leader in the Western Cape, who faces charges of theft and fraud.

Aside from criticism by the NP and the DP, Mr Omar was widely attacked in newspapers throughout the country and by leading academics and lawyers.

In the Budget debate in the National Assembly, Mr Omar expressed "dismay, regret and disappointment" at the opportunistic way the NP and DP had introduced what he termed the Boesak issue into the debate. The parties' remarks could have the effect of undermining the judicial process.

Both the NP and DP had distorted what he had said, and the DP's press statement on the issue had caused a great deal of confusion. Mr Omar said what he had said on the issue was that the 1980s had been a period of terrible repression, including disappearances and murders.

It had not been possible for those involved in the liberation struggle to keep minutes and membership lists. However, this did not mean those in the liberation movement condoned fraud, theft and misappropriation of funds for personal use.

"We never commented on the case against Boesak at all. We have not interfered in the prosecution." Mr Omar said he had allowed the Office for Serious Economic Offences and the Cape attorney-general to proceed with the investigation.

He thanked Swedes and Danes for resources given to the struggle. "We understand the need for proper accounting in respect of those finances," he said.

New questions on 'struggle bookkeeping'

MtG 27/3-3/4/97 (297)

Mungo Soggot and Marion Edmunds

ALLAN BOESAK is being bankrolled by a group of Cape businessmen, including Crispin Sonn, son of South Africa's ambassador to the United States.

Sonn, who runs a computer company which won a lucrative R1-million government contract last year, told the *Mail & Guardian* he was one of several Cape businessmen supporting the former African National Congress Western Cape chair.

Boesak goes on trial in August on 21 charges of fraud and theft of more than R1-million, involving foreign donor money administered by the Foundation for Peace and Justice, where Boesak was a director.

Sonn said Boesak had played a "very prominent political role. It would be crazy to dump him at a time when he needs assistance."

Other businessmen in the province were also "coming to the fore", but he said some of them would want to keep their assistance to Boesak under wraps for "business considerations".

Meanwhile, as the controversy surrounding Boesak continued — with allegations that the Legal Aid Board broke the rules in paying for his defence team — questions are being raised about the possible involvement of other senior ANC members in what has been described as "struggle bookkeeping".

Members of the Western Cape legal fraternity and several ANC politicians suggested that a probe into the foundation could expose dubious "struggle bookkeeping" in other institutions associated with the ANC in the run up to the elections.

One such institution is the Community Law Centre at the University of the Western Cape, which employed leading lights in the ANC, including Justice Minister Dullah Omar, Public Service Minister Zola Skweyiya, Deputy Arts and Culture Minister Brigitte Mabandla, and National Council of Provinces deputy chairman Bulelani Ngcuka.

The centre received funding from the foundation possibly running into millions of rand and questions remain about how much of the cash was spent.

The centre's director, Nico Steytler, said the audited books had always been in order. He added that after Omar had left the centre, it had emerged Omar himself had been underpaid.

Legal Aid Board officials this week dismissed allegations that they had broken the rules by giving Boesak generous funding for his legal battle.

Lawyers said it was rare for the board to allow a recipient facing criminal charges to select his own lawyers — Pretoria-based Stegmans — and to secure backing for senior counsel. The top rate legal aid pays advocates is R1 800, whereas a senior counsel can charge at least R6 000 a day. The board is paying for an "experienced junior counsel" and is considering paying for another senior counsel.

It is also unusual for the board to pay for lawyers from out of town. In Boesak's case, the board is flying the Stegmans squad and their advocates down to Cape Town for the trial.

Senior legal aid official Peter Brits, who dealt with Boesak's application, said the board had the discretion to bend the out-of-town rule. Stegmans had represented Boesak before, he added.

Omar said he had not interfered with the board's decision to help Boesak "at all. I have no reason to suspect that it broke the rules."

Omar, who has been criticised for the glowing support he has given his predecessor, said he did not regret the way he had handled the matter.

Boesak had operated under "special conditions in a period of repression. The normal rules of doing things like keeping proper records were luxuries that could not be afforded."

He added that he had never suggested that the state's prosecuting team should have consulted him, prior to pursuing Boesak.

Omar said a conviction would not damage the ANC in the province, as the party had never supported fraud.

Crucial to the continuation of non-governmental organisations is the ability to raise

The NGOs' tales of woe

(297)

With the withdrawal of foreign donors and the slow delivery of government funds, NGOs face a future of uncertainty, reports **Tamar Kahn**

M+G (pm) 27/3-3/4/97

THE financial plight of South Africa's non-governmental organisations (NGOs) is by now an all-too-familiar tale of woe.

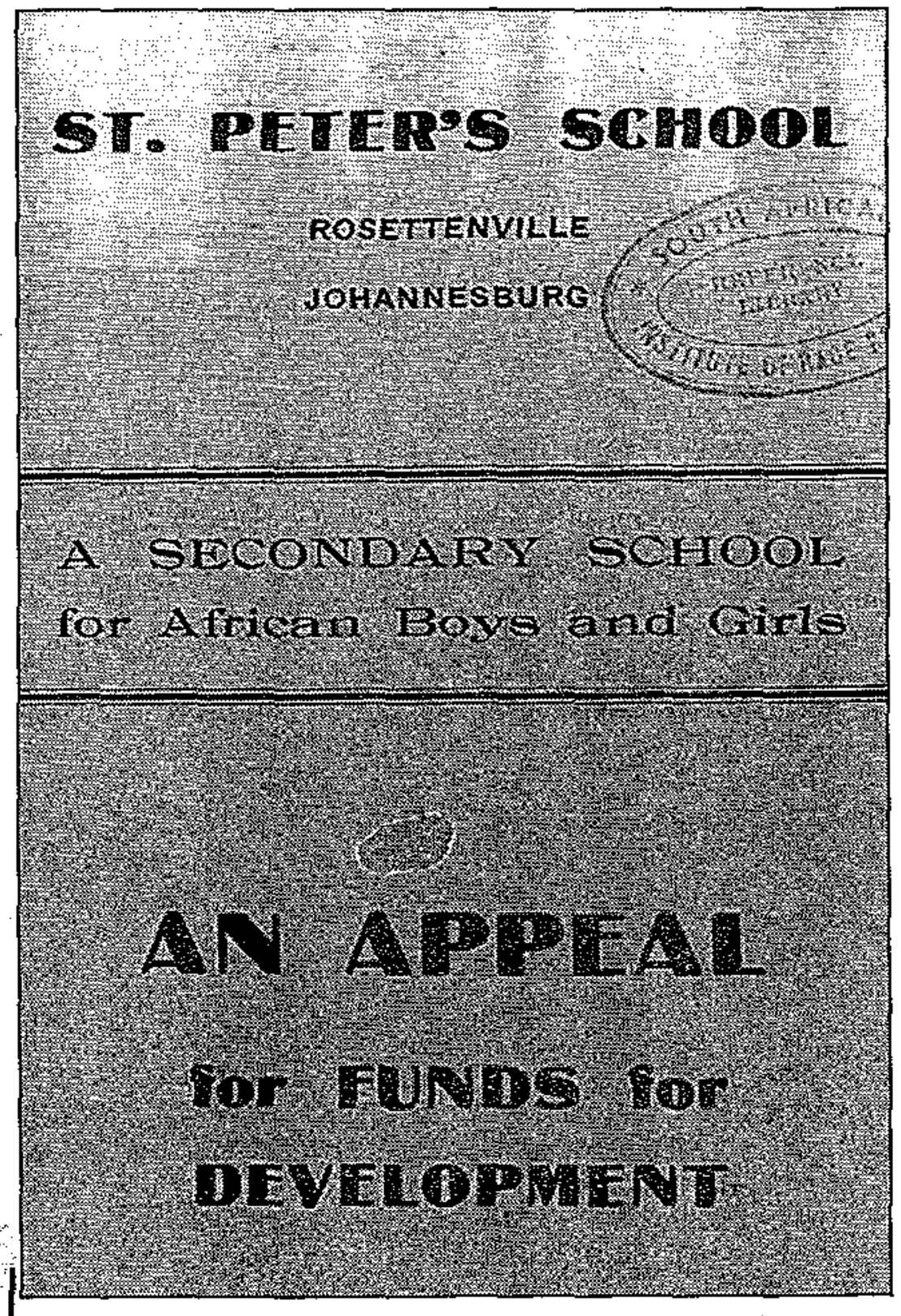
Foreign donors, who traditionally channeled development funds directly to NGOs, changed their game plan as South Africa democratised, and began to direct money into state coffers. As they did so, many NGOs found themselves in crisis, forced to dedicate more time to fund-raising, and desperately trying to avoid cutting back on the services they offered.

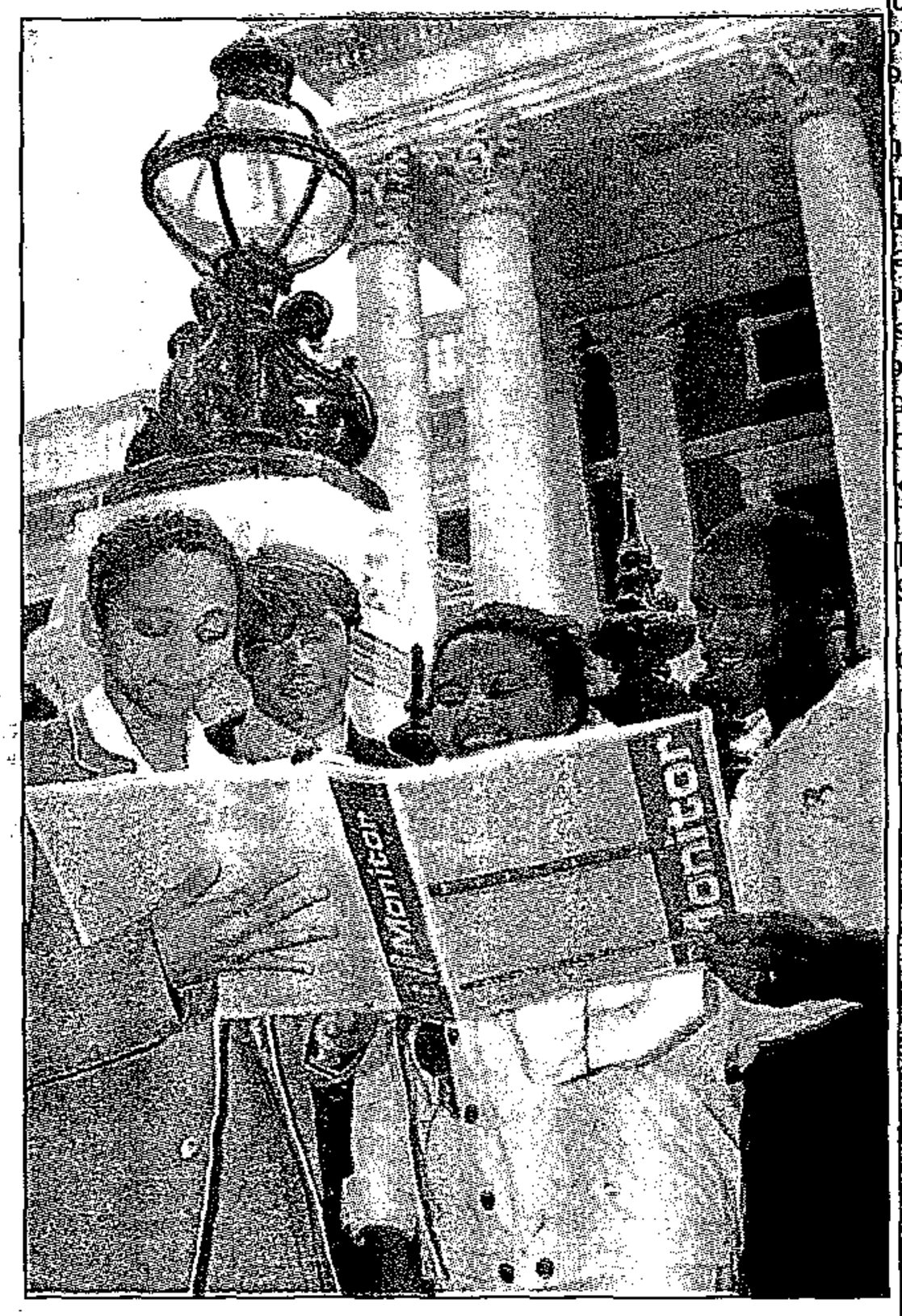
The government recognised the crisis within the NGO sector, and established a formal link between itself and the NGOs under the auspices of a body called the Transitional National Development Trust (TNDT).

The TNDT was launched in October 1995 to act as a conduit for funds vision and style between the different partners."

Whatever the reason, the delays have angered and frustrated NGOs. "Every month of delay has a detrimental effect on the NGOs; in that time several could go to the wall," says *Kumi Naidoo*, executive director of the NGO Coalition.

Moreover, it is all too apparent that the urgency of the NGOs' needs are not matched by the pace of the donors, bogged down in the slow reality of establishing legal frameworks for funding to take place; the TNDT, for example, was slow to register as a trust, which in turn delayed the setting up of a bank account, which held up the receipt of funds. A donor such as the EU has problems of its own; it is held accountable to the European taxpayers, and any move to channel funds to South Africa has to be ratified





Past and present: With appeals falling on deaf ears, some NGOs now sell their services PHOTO: RODGER BOSCH

Fresh hope for survival

(297)

M+G (pm) 27/3-3/4/97

directed from the European Union (EU) and the South African government to the non-governmental sector; R85-million came from the EU and government provided R50-million.

"The TNDT is absolutely vital," says Erwin Fouéré, EU ambassador to South Africa, "because it sends a signal to the NGO community that there is a lifeline there for the most vulnerable of them."

Sending out a signal is all very well, but the true test lies in whether the TNDT is able to deliver. And the TNDT seems to be struggling. It has been beset by structural problems which severely delayed the dispersal of funds. According to Afsaneh Tabrizi, TNDT's programme manager, the first payments to NGOs were only made in January of this year, more than a year after the TNDT's inception.

"The original concept of the TNDT was that it would be a one-stop management information shop, where all the applications, and data on them, would be held in a small office. The operational capacity would be sourced from the Kagiso Trust and the Independent Development Trust (IDT) on a contractual basis," says Paul Jackson, general manager of the TNDT.

Various observers have suggested that political in-fighting between the Kagiso Trust and the IDT lies at the heart of the delay. The IDT was created with government seed money in the early 1990s to deal with the developmental backlog created by years of neglect by the apartheid government.

It was born into a highly politicised era, and consequently faced scepticism from NGOs and community-based organisations (CBOs) that identified themselves as part of the Mass Democratic Movement. One of those organisations was the Kagiso Trust, established to channel funds from foreign donors. The result was a considerable difference in organisational culture.

Jackson plays down the role of the IDT/Kagiso Trust clash: "Delays have been more to do with a lack of institutional capacity than conflict in by the European Parliament in Brussels. Unless the EU can make its own decisions here in South Africa, there will always be delays.

However, by February this year, 48 CBOs and NGOs from across the development spectrum had been allocated funds totalling R20,3-million from the EU via the TNDT. These ranged from a contribution of R168 000 to the Harvey Cohen Centre which provides vocational training to mentally handicapped children, to a R1-million donation to the Promat colleges.

It is an indication of the desperation of the NGO sector that by the time the TNDT closed applications for project funding in November last year, it had received almost 1 400 applications.

"Our allocation policy is still being fine-tuned, but we basically prioritise the poorer provinces, and then look at issues such as the size of the request, the capacity of the institution to deliver, and its financial situation," says Tabrizi.

Successful projects receive funds in a two-stage process, but the grant is essentially a one-off. Not only does the TNDT have a limited ambit, but it also has a limited shelf life. "Our intention is to disperse all our funds to projects by November and close shop in July next year," says Jackson.

If all goes according to the government's design, NGOs will then approach the National Development Agency for funding. The agency will be a government institution located in the office of the deputy president and will report to Parliament. According to a government advisory committee report, the agency is only set to open its doors to the public in May 1998.

At present, NGOs are still in limbo. "The real difficulty for NGOs is the uncertainty surrounding the procedures of these macro-processes. It creates an unacceptable level of insecurity in the NGO sector," says Naidoo.

Although in the long term these processes may be of benefit to the NGO sector, for the presently cash-strapped NGOs, this time lag may be fatal.

Jim Day

NON-GOVERNMENTAL organisations (NGOs) across the country are busy setting up what some grudgingly call "hot-dog stands" — business interests designed to plough money back into the NGO to keep it financially viable — in an era of tightened funding from overseas donors.

These businesses range from consulting projects to the provision of socially conscious advertising and strategic investment firms. They are usually connected in some way with the services the non-profit NGOs already provide to disadvantaged people.

By selling the products and services to those who can afford them, the NGOs hope to survive when, a few years down the road, traditional funding sources have evaporated.

"It's no secret that the configuration of foreign funding is changing. There's going to be a period of transition as large international funding decreases," said Richard Calland, head of the parliamentary monitoring service at the Institute for Democracy in South Africa (Idasa) in Cape Town. "The majority of our funding is still from foreign sources, but that's shifting."

He and his Idasa colleagues are now trying to maintain their funding by selling information to other NGOs, governments and business. The organisation is supported partly with funds from the United States government and European governments, but with the organisation's contacts and parliamentary expertise, Calland believes they can partially support themselves through faxed newsletters and other information services.

Donors have indicated to Idasa officials they cannot expect funding to extend through 1999, when the donors will take the view that South Africa is no longer a "developing country".

In anticipation of that cut-off, the NGO has already streamlined its operations and some full-time positions will probably be cut to part-time, said Ivor Jenkins, director of the Idasa Democracy Centre. He believes the organisation can be self-supporting by the turn of the century, through money-making projects and an endowment fund, but it will have to function more efficiently.

The Institute for Multi-Party Democracy (IMPD) in Durban made a tentative entry into the market last year when it charged for monitoring student representative council elections at the University of Natal. In the pipeline, says an IMPD representative, are price-tags on publications the organisation has traditionally compiled and distributed free of charge.

'There's going to be a period of transition as large international funding decreases'

As late as 1991, the Triple Trust Organisation, a Cape Town-based NGO that teaches entrepreneurial skills to disadvantaged people in the Eastern and Western Cape, received about 65% of its funding from South African businesses. As those businesses have focused more on either providing better benefits to their own workers or on their bottom lines, the funding shifted toward foreign donors. That source is drying up as well, forcing the NGO to find ways to become partially self-supporting, said James Thomas, managing director of Triple Trust.

He hopes the organisation can raise 25% of its R8-million budget within two years by offering its lessons in business savvy to more upscale clients. The NGO has set up a separate company, Institute for Development Services, that will sell its educational materials to groups that can afford them. It will then hand over the proceeds to Triple Trust.

More ambitious is the plan of the Independent Mediation Service of South Africa (Imssa), an NGO in Auckland Park that has gone from 90% dependence on foreign donors less than two years ago to 60% at present. By 1999 Imssa officials expect that dependence to have dropped to 20%.

The NGO, which offers mediation services to unions, businesses and communities, attributes its greater self-sustainability on improved means of determining its clients' ability to pay. In the past, the NGO provided its service without regard to clients' ability to pay; now the NGO demands payment based on that ability.

"We've had to transform ourselves internally and develop a new culture," said Mark Turpin of Imssa, adding that better marketing and cutting costs were also important changes in the past year.

The very nature of NGO work — providing services unlikely to be profitable enough to attract the private sector — makes it difficult for the organisations to be fully self-supporting. But NGOs that can show potential donors they are generating a significant portion of their revenues themselves will be more likely to secure enough donations to continue operating, said Thomas.

Several NGO-watchers said they were counting on receiving assistance from the South African government and business. One way to do that is to alter the tax structure to provide incentives for businesses to give to NGOs. That legislation is being drafted now, but even if it is passed, many NGOs can count on peddling some of their services for some time to come.

Broke NGOs hear rallying call

Investment plan to beat post-apartheid crisis

ARG 29/3/97 (297)

THABO MABASO
BUSINESS REPORTER

A prominent non-governmental organisation official this week called on NGOs to band together and form an investment company that would allow them to raise funds for their projects as the flow of money from international donors dries up.

The South African National Non-Governmental Organisation Coalition's executive director, Kumi Naidoo, told a meeting of the organisation's Cape branch that the demise of apartheid had led many NGOs to financial ruin.

International donor agencies that once fell over each other to sponsor South African social projects had simply shifted funding to other, more deserving countries, he said.

"Collectively NGOs have greater financial muscle than we have generally recognised," Mr Naidoo told the meeting.

"The coalition will be setting up an investment company which aims to create a space for the NGO movement to contribute to the economic empowerment processes and to create wealth for the NGO sector, with a view to redirecting resources to development activities," he said.

Other plans aimed at making NGOs financially self-sufficient included setting up a high-interest investment fund and a unified pension and provident fund, he explained.

"The investment fund will be set up with maximum flexibility so that organisations can come in with a minimum of R500 and for as short a period as one month," he said.

'It is fair to say that by 1999 most funding for NGOs will have dried up'

Employees of NGOs would use the combined pension and provident funds as leverage when applying for housing loans and medical aids.

"It is fair to say that by 1999, most funding for NGOs will have dried up and therefore there is a need to develop indigenous ways of raising cash," Mr Naidoo said.

The Government had a duty to make sure NGOs did not die from a lack of funds.

He said one way of doing that was by introducing legislation to give tax breaks to private companies that donated funds to the NGO sector.

"Other areas of focus include changes in the tendering system (to allow NGOs to procure for Government tenders), and special facilities for NGOs from certain targeted parastatals such as Eskom, Transnet and the Post Office," Mr Naidoo said.

But, he added, NGOs understood that the national debt incurred from the previous government made it difficult for the Government fo fund NGOs.

An international campaign to scrap the debt would soon be launched, Mr Naidoo said.

He added that several meetings had been held with eager former anti-apartheid activists in Europe about the campaign.

"The NGO is a movement to do things that might otherwise be unpopular," he said.

The coalition represents dozens of organisations throughout the country and co-ordinates their work.

Legal Aid denies Boesak

Junior lawyer deemed enough for

GLYNNIS UNDERHILL
CHIEF REPORTER

The Legal Aid Board has turned down a request for senior counsel to assist in the trial of veteran anti-apartheid campaigner Allan Boesak, accused of the theft of more than a million rand of foreign funding.

Peter Brits, senior legal administration officer at the Legal Aid Board, said Dr Boesak would be permitted junior counsel and an attorney. Dr Boesak's legal team intended appealing against the decision, he said.

The top rate legal aid pays advocates R1 800, while senior counsel can charge at least R6 000 a day. Controversy over the fact Dr Boesak qualified for legal aid flowed over to Parliament last week, when Mr Brits was asked to explain how Dr Boesak qualified for assistance.

Dr Boesak was granted legal aid because he had no income and no assets, said Mr Brits. Mr Brits revealed that Freddie Steenkamp, Dr Boesak's former bookkeeper at the now-defunct aid agency Foundation for Peace and Justice, had also qualified for legal aid.

The upcoming trial of Dr Boesak has been shrouded by controversy since his arrival from the United States this month to a hero's welcome at Cape Town airport, where he was embraced by Minister of Justice Dullah Omar.

In a move set to create further divisions, the Association of Law Societies of South Africa yesterday hit out at Mr Omar for his public show of support for Dr Boesak.

"The Association of Law Societies of South Africa has noted with regret and concern the public support given by the Minister of Justice Dullah Omar to Allan Boesak with regard to the forthcoming criminal proceedings instituted against Dr Boesak. It goes without saying that the minister's support flies in the face of objectivity with which he has thus far conducted the affairs of the Department of Justice," said spokesman Michael Pinnock.

While the minister stated that he had no intention of intervening in the due process of the law, the mere fact that he had personally and publicly indicated support for Dr Boesak led to the perception there was intervention and that he was undermining his own department, said Mr Pinnock.

"A minister of justice, whatever his personal feelings may be, should be seen by the general public to be totally objective and unbiased.

"The Association of Law Societies of South Africa believes there has been an error of judgment on the part of the minister," he said.

The question of the provision of legal aid for Dr Boesak raised questions in Parliament, especially when it was revealed his team was seeking senior counsel.

Explaining the reasons why the request for senior counsel in Dr Boesak's case had been turned down, Mr Brits said having junior counsel and an attorney representing Dr Boesak was normal representation for a "case of this size".

The request for senior counsel for the once high-flying politician was turned down by the Director of the Legal Aid Board, Nico Pretorius, said Mr Brits.

"Dr Boesak's team does have a right of appeal with the chairman, and I have been told they intend to appeal," he said.

Legal aid for Mr Steenkamp had been agreed upon and it merely had to be documented, said Mr Brits.

"We will be giving Mr Steenkamp legal aid. The reason we are giving him legal aid is because he cannot afford to pay the costs of his legal representation in a trial of this magnitude," said Mr Brits.

Mr Steenkamp received his income as a car salesman and his earnings would obviously be limited while he was standing

senior counsel

'case of this size'

(297) ARG 29/3/97

trial, he said. It is not yet known how much the case will cost the Legal Aid Board, which is largely funded with public funds approved by Parliament.

The Legal Aid Board has come under criticism for allowing Dr Boesak to select his own lawyers. Pretoria-based attorney Irma Lingenfelder will still be representing Dr Boesak as she had investigated affairs related to his case, said Mr Brits.

"It was an economic decision as she had done the preliminary preparation," he said.

Three months have been set aside for the case in the Supreme Court, but it is expected it could continue for up to a year.

Dr Boesak is charged with the theft of R1,053-million while Mr Steenkamp is accused of the theft of R1,174-million of donor funds.

Some members of the staff at the Foundation for Peace and Justice were accused by Scandanavian aid agencies of misappropriating R2,7-million of funds intended for victims of apartheid.

The Democratic Party and the National Party have criticised a statement released by Mr Omar as leader of the ANC in the Western Cape in which he saluted Dr Boesak as a "great comrade in arms in the struggle against apartheid and for the creation of a democratic South Africa".

A number of the nine charges of fraud and 21 counts of theft to be brought against Dr Boesak involve money donated by singing star Paul Simon from the proceeds of his hit album *Graceland*, as well as funds donated by Coca-Cola in America and several Scandinavian donors.

Mrs Lingenfelder said Dr Boesak would be pleading not guilty to the 30 charges against him.

A defiant Dr Boesak has always maintained he is innocent of all charges and has described the allegations as "a grave travesty of justice".

Social security system slammed

Black Sash report uncovers widespread fraud

(297) ARG 29/3/97

SHONA LAWSON
OWN CORRESPONDENT

Bisho – A damning Black Sash report on social security grants has been presented to health and welfare Eastern Cape MEC Trudy Thomas, exposing a system rife with abuse.

The wide-ranging report, compiled by Helen Holleman, draws together for the first time information from government documents, newspaper reports, case histories and personal observations and was released to Saturday Argus this week.

Repeated reference is made to tales of bullying money lenders, "freelance" queue marshals and thugs taking money from pensioners at pay-points.

There are other stories of people faking birth and death certificates and other documentation to get their hands on the various grants on offer.

The Black Sash concludes in the report that the Eastern Cape is trying to run a First World social security system in a Third World area.

"It has raised expectations higher than can possibly be met with existing resources.

"Until circumstances change at the pay-points and the social security offices, the public will continue to perceive the government as ineffectual, unable to administer the system it promulgates, and a silent partner in the corruption people are subjected to," the report says.

The report recommends that the department takes full responsibility for cleaning up the system by ensuring it has good, honest, efficient and well-trained staff.

The department is urged to prosecute offenders with "vigour and conviction".

"The whole mood and attitude of social security officials must be changed," the report says.

"The big thing is the time delay from applying for a grant and getting it," said Grahamstown advice office director Rosemary Smith, who is with the Black Sash.

"The most frequent complaint has been about the delay in payments," the report says.

"Too often a person will apply for social security, and after a delay of months, if not years, will not receive arrears payments. What happens to this money?

"Officials are suspected of pocketing it at some stage in the pay-out process," the report says.

In a scathing reference to the Welfare Department, the report notes that the department has not prosecuted anyone accused of stealing pension money, although more than 22 civil servants have been accused of wrongdoing.

No-one has been dismissed from the Welfare Department, although 16 people were suspended for a while, and six people were transferred to other areas of responsibility.

The report said a sudden drop in reported theft and fraud cases and an increase in armed robberies from 1995 to 1996 had prompted the conclusion that there was a reluctance to prosecute incidences of fraud and theft or make incidences of these crimes known.

The criteria for obtaining a pension had been widely publicised and an eager and expectant population then swamped the Welfare Department with applications.

At the same time the amalgamation of the former Cape Province, Transkei and Ciskei departments had resulted in chaos as each used a different system, which created the "opportunity for fraud, theft and corruption by both officials and beneficiaries", the report said.

During the amalgamation process a "provincialisation" policy was followed where files were shifted to different offices, which added to the chaos as files disappeared. Compounding the problem was the lack of a common computer network.

The Eastern Cape spends more than 88 percent of its welfare budget on maintenance and foster care grants, disability grants and old age pensions. – Ecna Weekend Service

Legal Aid Board refuses senior counsel for Boesak

CT 31/3/97 (297)

STAFF WRITER

The Legal Aid Board has turned down a request by anti-apartheid campaigner Dr Allan Boesak for senior counsel in the run-up to his much-publicised trial.

He stands accused of theft of more than R1 million's worth of foreign donor funds.

Instead the Legal Aid Board has determined that Boesak only be permitted a junior counsel and an attorney. Boesak's application for senior counsel was turned down by the Director of the Legal Aid Board, Mr Nico Pretorius.

Boesak's initial successful application for legal aid was on the grounds that he had no income and no assets.

The decision to grant Boesak legal aid was met with criticism from some quarters, especially when it emerged he was also seeking senior counsel.

Legal Aid pays advocates R1 800 a day, while senior counsel can charge at least R6 000 a day.

Questions were raised in Parliament about Boesak's application.

A senior officer of the board said Boesak's request for senior counsel had been turned down, as a junior counsel and attorney was normal representation for a "case this size".

Boesak is charged with the theft of R1,053m of Scandinavian aid money intended for the victims of apartheid.

The money was allegedly misappropriated while Boesak was head of the now-defunct aid agency Foundation for Peace and Justice.

Boesak's former bookkeeper of the foundation, Mr Freddie Steenkamp, has also qualified for legal aid. Steenkamp, who stands accused of theft of R1,174m, was granted legal aid on the grounds that he received his income as a car salesman and that his earnings would be limited while he was on trial.

It is at this stage unclear how much the Boesak trial will cost the Legal Aid Board, which is largely funded with public money.

It has been reported that Boesak's legal team will appeal against the board's decision.

Boesak's senior-counsel bid spurned

Star 31/3/97 297

OWN CORRESPONDENT

The Legal Aid Board has turned down a request by former anti-apartheid campaigner Dr Allan Boesak for senior counsel in the run-up to his much-publicised trial, in which he stands accused of theft of more than R1-million worth of foreign donor funds.

Instead the Legal Aid Board has determined that Boesak be permitted only a junior counsel and an attorney.

Boesak's application for senior counsel was turned down by the director of the Legal Aid Board, Nico Pretorius.

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The decision to grant him legal aid was met with criticism from some quarters, especially when it emerged he was also seeking senior counsel.

Legal Aid pays advocates R1 800 a day, while senior counsel can charge at least R6 000 a day.

Questions were raised in Parliament about Boesak's application for legal aid and for senior counsel.

A senior legal administration officer for the board said last week that Boesak's case for senior counsel had been turned down, as a junior counsel and attorney was normal representation for a "case this size".

Boesak is charged with the theft of R1,053-million of Scandinavian aid money.

Thirty charges – 21 of theft and nine of fraud – have been formulated against Boesak.

The money was allegedly misappropriated while he was head of the now-defunct aid agency, Foundation for Peace and Justice.

The former bookkeeper of the foundation, Freddie Steenkamp, has also qualified for legal aid.

Steenkamp, who stands accused of theft of R1,174-million of donor funds, was granted legal aid on the grounds that he received his income as a car salesman and that his earnings would be limited while he was on trial.

Three months have been set aside for the trial in the Cape High Court, but it could continue for up to a year. It is at this stage unclear how much the trial will cost.

North West survey on RDP gets mixed reaction

Star 31/3/97 (297)

PROVINCIAL REPORTER

The North West government has received mixed reactions from the province's citizens about the progress of its governance and delivery on Reconstruction and Development Programmes (RDP) services.

A provincial government-commissioned survey conducted by North West University and Potchefstroom University has established that residents desired to see infrastructure development reaching the four corners of the province.

North West citizens who were currently witnessing physical implementation of RDP projects openly expressed satisfaction about the things they benefited from.

In the Rustenburg area, for example, 65% of participants in the survey indicated having benefited from RDP projects.

The survey was presented to Premier Popo Molefe this week and would be forwarded to North West members of the executive council. Its main objective was to inform and assess public perception in North West regarding public service delivery.

The institutions which conducted the survey warned that efforts should be made to inform the public about development projects planned in the area.

Government initiatives should be announced on most media, especially on radio, which was found to be the main source of information regarding public service, policies and programmes in the area.

The lack of effective communication, the survey commented, was a key problem.

The survey found that health facilities were mostly utilised in the province followed by municipal and education facilities.

It noted residents had some difficulty distinguishing the functions of the provincial government from those of local government, including the implications of affirmative action policies.

Another difficulty citizens had was understanding the role of district councils (transitional rural councils).

Gauteng welfare head seeks support

BD 2/4/97 (297)

Vuyo Mvoko

THE Gauteng department of welfare has lobbied the provincial government's finance and economic affairs standing committee for support for a funding model that could change the SA welfare system.

At a meeting scheduled to justify his department's R2,3bn budget allocation last week, MEC Ignatius Jacobs told the committee: "We would like to lobby you to support us to achieve the objectives of a new financing model... Even if you can give us three times more than what we are getting, that is not going to solve our programmes."

He said the current welfare financing model was stifling transformation, thereforeGauteng intended "moving away from this hand-out charity approach of dependence on subsidy and relief to a more empowerment, development and community approach".

Jacobs said more than 600 organisations were funded by the department, including some that had been entirely dependent on government since 1910.

Although some groups had implemented "very noble programmes", they had been made dependent on state subsidies and needed to be empowered to run their programmes.

Venture capital and the creation of micro enterprises were some of the options considered, Jacobs said, and the department had already held "dual partnership" talks with, among others, Engen, Shell, Sanlam and the Soweto Chamber of Commerce.

"Is there anything wrong in buying a petrol franchise for a street shelter programme in order to make money to run programmes for placing street children back into their family homes?"

Jacobs said he would soon lead a provincial team on a visit to the US to observe a successful 20-year-old programme that had "lifted the south Bronx from a slum area into a reasonable stable community".

"The old cliché — instead of putting down a water bucket to take water from the leaking roof you actually fix the leaking roof — is our philosophy.

"Welfare policy has changed and therefore the financing model will also have to change," Jacobs said. "If the cost driver is the amount of people we pay out, and the output is simply in relation to whether we have achieved paying that amount and whether it has been done smoothly, then we believe that instrument is wrong."

Jacobs told the committee that while they considered the new proposal, they should remember that in a few years the country would be unable to service fully its welfare dependants.

Positive spin-offs of the envisaged programme would include the creation of infrastructure, more jobs and management skills empowerment, he said.

To bring into effect the envisaged policy, the department was also aware government would first have to examine legislation.

A standing committee member asked whether, from the recipients' viewpoint, the idea would make sense, besides affecting government's cash flow.

Jacobs countered that R2,3bn would not disturb government's cash flow. Jacobs also challenged government's archaic methods of designating and delivering subsidies to the various government departments competing for government aid.

W Cape Cabinet allocates R21-m to new RDP projects

ARG 4/4/97 (297) (~~[illegible]~~)

THABO MABASO
BUSINESS REPORTER

Western Cape Reconstruction and Development Programme (RDP) Minister Chris Nissen yesterday announced that the provincial cabinet had approved the allocation of R21 million towards funding new RDP projects.

Mr Nissen said R14,8 million would go to community projects in the metropolitan area, the Klein Karoo, Overberg, South Cape, West Cape and Winelands regions of the province. A total of R5 million would go towards the upgrading of various sports facilities in rural areas and R2 million for the construction of multi-purpose centres in Hout Bay and Atlantis.

He said the R5 million for rural sports facilities was an effort to reach areas that the Olympic bid spin-offs would not be able to reach.

Overall, 26 projects in the province's various municipalities would benefit from the allocation. These included a project aimed at greening 10 schools that had no vegetation.

Each of the schools would receive R90 000, to be used for nurturing trees and grass within their premises.

Seven of these schools are in Khayelitsha and the others in Paarl, Noordhoek and Kleinvlei.

In total, R900 000 will go to the schools' greening project.

A total of R515 000 had been allocated for fynbos farming in the Klein Karoo town of Herbertsdale, with a view to possible exports.

Mr Nissen also announced that about R500 000 had been given to Streets, an organisation working with children who lived on the streets.

The money would go towards building new dormitories and a skills training centre for the children.

An official in Mr Nissen's office said Streets received the funds after the organisation applied for a donation.

"They were given the funds because street children are a big problem and affect a number of things like tourism, the Olympic bid and the image of the city. We want to help alleviate that problem," the official said.

Worker training 'must be of high quality'

WILLIAM-MERVIN GUMEDE
POLITICAL STAFF

ARG 4/4/97

Improvement in the education and training of South Africa's workers will have to focus on two aspects – quality and relevance – says Minister of Labour Tito Mboweni.

A new standardised national qualification system called "learnerships" – that accredit competency in a particular occupation – would replace the old apprenticeship system, he said yesterday.

A person who completed a learnership would earn a national quality framework accredited qualification which would tell the labour market he or she was competent in a particular occupational area, he told members of the National Union of Metal Workers of SA in Johannesburg.

This new concept formed part of the government's new skills development strategy to increase the skills and productivity of the South African workforce.

He said the contracts of learning that accompanied learnership would have to be designed and managed through restructured industry training boards.

Mr Mboweni, addressing the union's national bargaining conference, said that information and strategic planning were an extremely important part of the new strategy.

The old career guidance and placement bureaus needed to be converted to employment services which would have to be revamped to provide workers, employers and unemployed people with information about the labour market.

Discussing the government's recently-published Green Paper on "A skills development strategy for economic and employment growth", Mr Mboweni said: "There is a clear relationship between skills development and collective bargaining."

National lottery ready to roll by next year

(297)

Groundwork under way

ARG 4/4/97

WILLIAM-MERVIN GUMEDE
POLITICAL STAFF

Plans are on track to have South Africa's first national lottery in place by the second half of next year, the Department of Trade and Industry announced today.

The department said that because of extensive preparatory work, a lengthy period was required to lay the groundwork for the lottery.

"In South Africa there are a multitude of deserving causes such as the RDP, education, sport and health care that could benefit from a national lottery," the trade and industry department said.

Consultants Deloitte & Touche have been appointed by the department to establish the lottery. A team of local and foreign experts is in the process of finalising the project.

The first step is to revise the draft Lotteries Bill to incorporate international suggestions and local responses.

The Bill is expected to be promulgated not later than July and the Lotteries Board will then be formally constituted.

The Lottery Operator's Licence Agreement, which will govern the operations of the eventual lottery operator, will be drafted at the same time as the legislation to ensure consistency between the two and to avoid confusion.

The department hopes the government, via the Lotteries Board, will be the main regulator of the lottery, while the commercial running will be the responsibility of the operator.

The department said that market research, to provide information about public attitudes to the lottery and its potential turnover, will proceed in tandem with the legal and parliamentary process.

By the end of August the department will have drawn up a "request for proposal" for the lottery operator's contract.

Potential bidders will be informed of this request by means of press advertisements.

Tenderers for the lottery contract will have three months to submit their bids.

Detailed comparative evaluation of the bids will take about three months to be completed.

The successful tender will be announced between March and April next year, the department said.

Cape gives RDP R21m

SIPHO VANGA

(297)

ST(CM) 6/4/97

THE Western Cape cabinet has allocated R21-million for RDP projects from the Provincial Discretionary Fund, the MEC for Economic Affairs and RDP, Chris Nissen, has announced.

A total of R14,8-million has been set aside for community based projects in the Cape Metropolitan area, Klein Karoo, Overberg, southern Cape, West Coast and Winelands regions. A further R5-million has been set aside for sports facilities and upgrading while Hout Bay and Atlantis have been allocated R2-million for building multi-purpose centres.

Nissen said the fund was aimed at benefitting previously marginalised communities.

NEWS

SA democracy gets R1,8-bn boost from UK foundation

Poor communities and Idasa set to benefit

ARG 7/4/97 (297)

TYRONE SEALE
FOREIGN SERVICE

London – Poor communities in the Eastern Cape and the Institute for Democracy in South Africa (Idasa) are among groups which will benefit from funding approved by British parliamentarians.

Funding of about R1,8-million to last until April next year is part of the Westminster Foundation for Democracy's ongoing engagement with communities, political parties, non-governmental organisations and other institutions to promote democracy around the world.

The foundation is an independent, grant-making body which was set up by the British parliament in 1992 and receives its funds from the Foreign and Commonwealth Office.

It directs most of its funds to supporting democratic institutions in Central Europe, the former Soviet Union and Anglophone Africa, but each year worthwhile projects also receive support elsewhere in the world.

The foundation works closely with the political parties represented in the House of Commons and through them promotes political party development abroad. In the case of South Africa, this means that the Conservative Party has been loosely married with the National Party, the Labour Party with the African National Congress, and the Liberal Democrats with the Democratic Party.

However, the three main British parties frequently share platforms in projects where all the main South African parties are represented. "We hope the types of programmes provided are sufficiently broad to help parties with broad, not narrow, choices," says Tracy Tickle, who manages the foundation's Anglophone Africa portfolio.

"Our parties are not supposed to promote the Westminster model of democracy, but our work is based on a belief in the British parliament as the oldest democracy in the world, and that we have the skills and knowledge to contribute, and the responsibility to do so."

The foundation's executive body met recently to approve its 1997/78 projects which, in South Africa, will range from one-off initiatives to some lasting up to a year.

The R1,8-billion in approved funding includes awards to projects that were already underway by the time the foundation formally voted its assistance.

Among the new awards is a R140 000 grant to the Grahamstown office of the Legal Resources Centre to provide free legal advice and assistance to poor and disadvantaged communities in the Eastern Cape. It is expected some of these funds will be put to use in land claims matters.

The Labour Party will spend R301 558 on assisting the African National Congress in a series of training programmes for ANC leaders, the Women's League and the Youth League.

Part funding of R420 000 has been allocated to the secondment of British parliamentary researchers to the National Assembly to assist in the development of political research skills and the training of research assistants over a period of three years, which began last May.

The business of monitoring Parliament has also received attention at the foundation, which has made nearly R288 000 available to Idasa's Parliamentary Information and Monitoring Service for a further year to produce nine issues of The Whip, which analyses the work of Parliament.

A United Kingdom training organisation, Labour and Society International, has been given R135 000 for a pilot project providing analysis, research and the implementation of plans to strengthen internal organisation within six trade unions.

Three years after its first democratic election, South Africa is a popular object of funding for political development, particularly from the United States and Germany. But, that does not mean its neighbours are losing out.

On the contrary, says Mrs Tickle, there is a growing recognition that South Africa provides a good role-model for similar investment in the promotion of democracy in neighbouring states.

With this in mind, the foundation is involved in trade union training and media support in Namibia and the funding of media projects and non-governmental organisations in Zimbabwe.

Church body to support Boesak

THE SA Council of Churches (SACC) said yesterday it would continue to support Alan Boesak despite the charges of theft and fraud brought against him.

"We assure him of our continued friendship and fellowship. It does not mean we have chosen sides in the case now to be heard in the High Court. It simply means Alan Boesak is a friend who was one of us during the years of struggle and remains one of us now, whatever his personal circumstances," the SACC said.

Boesak is scheduled to stand trial this month on charges of misappropriating more than R1m donated by a Danish aid organisation to underprivileged South Africans in the '80s.

He faces 21 theft charges and nine fraud charges for allegedly misusing Dan-Church funds donated to the Foundation for Peace and Justice, of which he was the chairman.

Boesak was also the African National Congress Western Cape chairman and SA's designated ambassador to the United Nations when the charges first surfaced.

The SACC expressed concern that Boesak's trial would be turned into an OJ Simpson-type media circus by an element that did not care for the new democracy in SA.

"There are some signs of this happening already ... we must be vigilant in ensuring that separation is not allowed to rear its ugly head again in our land in whatever form and for whatever purpose," the SACC said.

It said it remained on friendly terms with both Dan-Church, which initiated the investigation, and another international agency which supported Boesak while he lived in the US. — Sapa

BD 9/4/97

(297)

BOESAK: THE MISSING MILLIONS

Details of fraud and theft charges finally revealed

LINDSAY BARNES
CRIME DESK

Full details were revealed for the first time today of charges involving R8,8-million, against Allan Boesak and his co-accused, bookkeeper Freddie Steenkamp.

They will be charged in the Cape High Court in August with fraud involving R5,7-million and theft of R3,1-million.

Dr Boesak, former head of the Foundation for Peace and Justice, is accused of using R1,1-million of the foundations's money for personal use, and Mr Steenkamp allegedly used R1,3-million.

The charge sheet was formally handed in at the court today. Dr Boesak and Mr Steenkamp face 32 charges, 12 of fraud and 20 of theft.

Freddie Steenkamp appeared in court this morning and the case was postponed to August 4. He was not asked to plead.

Dr Boesak appeared in the Cape Town Magistrate's Court on March 17.

They are alleged to have defrauded the Coca-Cola Foundation by misrepresenting to the foundation that they needed $50 000 for the Caravan Project in Carnarvon and Van Wyksvlei in the Karoo.

They allegedly failed to disclose to the foundation that the money was to be used to obtain overseas loans for the Cross Times Trust. Dr Boesak allegedly said it would be used for the Caravan project.

They will be charged with fraud in that the Children's Trust allegedly only received R423 000 of R682 000 received from American singer Paul Simon for the trust.

They will be charged with theft for allegedly using part of this money to clear the foundation's overdraft instead, without the permission of the trustees of the Children's Trust.

They will be charged with stealing the balance.

They will be charged with stealing money donated by Swedish aid agency Sida for an audiovisual project to make 12 videos. Sida donated R762 000 for the videos for rural voter education. The money was allegedly used to build a studio for Dr Boesak's wife, Elna.

Dr Boesak allegedly misrepresented to Sida what he was to use the money for.

He and Mr Steenkamp face seven charges of fraud relating to misrepresentations in the foundation's annual financial statements from 1988 to 1994.

The charges allege parts of their expenses were allocated to projects by way of journal entries in order to hide from donors and trustees of the foundation the high cost of salaries, transport and staff loans.

(297) ARG 14/4/97

See page 3

Boesak and Steenkamp facing 58-page charge sheet

(297) ARG 14/4/97

STAFF REPORTER

The results of more than two years of investigation into Allan Boesak's Foundation for Peace and Justice (FPJ) – a 58-page charge sheet – was handed to the Cape High Court today.

Dr Boesak and the foundation's former bookkeeper, Freddie Steenkamp, face 32 charges of theft and fraud, the culmination of a 12-month investigation by the police Office for Serious Economic Offences and a year's study of this report by the Attorney-General's office.

The State alleges that Mr Steenkamp and Dr Boesak defrauded and misappropriated money donated to the foundation by several foreign donor organisations to be used for the victims of apartheid.

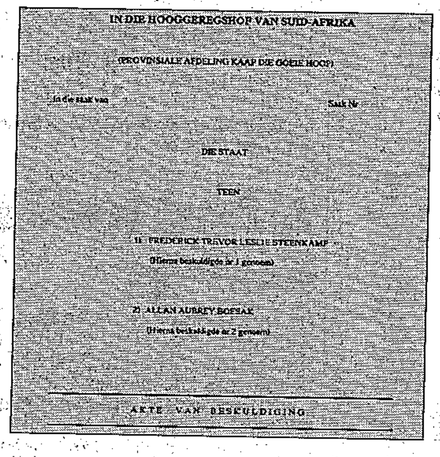
The charges are that:

■ The Coca-Cola Foundation was defrauded of $50 000 (R140 935). The money was requested for a Karoo development project but the foundation lent it to the Cross Times Trust to buy an East London hotel.

Mr Steenkamp and Dr Boesak are charged with stealing the money because they failed to inform the Coca-Cola Foundation of the loan to the Cross Times Trust.

■ An amount of R161 000 from Danchurch Aid, meant for several communities, was stolen.

■ Of a donation of R682 261 for the children of the country given by pop star Paul Simon only R423 000 finally ended up in the Children's Fund. The balance was never deposited into the account. It is alleged that Mr Steenkamp and Dr Boesak stole the balance of R259 161,21.



IN DIE HOOGGEREGSHOF VAN SUID-AFRIKA

(PROVINSIALE AFDELING KAAP DIE GOEIE HOOP)

In die saak van: Saak Nr

DIE STAAT

TEEN

11 FREDERICK TREVOR LESLIE STEENKAMP

(Hierna beskuldigde nr 1 genoem)

21 ALLAN AUBREY BOESAK

(Hierna beskuldigde nr 2 genoem)

AKTE VAN BESKULDIGING

Charged: the front of the 58-page charge sheet

■ They are charged with fraud for misleading the trustees of the Children's Fund by intimating that a debt of R431 029 on the account was an asset.

■ An amount of R447 111,99 was stolen from the Children' Trust.

■ R762 521 was secured from Swedish International Development Agency (Sida) to be put into a trust until both parties agreed on the use. Instead Dr Boesak failed to inform the funders the money was used to equip a broadcast studio for his wife Elna Boesak. The State alleges this amount of R762 521 was stolen from Sida.

■ It is also alleged that R640 000 was stolen from Sida for an audio-visual project.

■ Charges 10 to 16 relate to the alleged falsification of financial statements given to several funding agencies and the FPJ trustees.

■ Charges 17 to 30 involve money allegedly stolen from Scandinavian donor agencies – R484 068 from Danchurch Aid and R347 295 from the Church of Norway. The money was supposed to have been used for community development programmes.

■ It is alleged that from November 1988 to August 1994 they stole more than R2,3-million from the FPJ. Mr Steenkamp is accused of unlawfully withdrawing R1 268 912 from the FPJ's account while Dr Boesak is charged with stealing R1 121 947.

■ The accused allegedly deliberately misled the FPJ trustees and donors about their competency as managers. They did not use the funds received for the purposes they were made available.

The State alleges that Dr Boesak and Mr Steenkamp were "reckless and careless" in their handling of the foundation's funds.



Flashback: Allan Boesak greets supporters in Cape Town recently

No cheers greet accus bookkeeper

LENORE OLIVER
STAFF REPORTER

There were no cheering suppo Freddie Steenkamp, former bookkeeper of the Foundation Peace and Justice, when he ap in the Cape High Court today o allegations of fraud and theft .

This was in stark contrast to t at Allan Boesak's Cape Town Ma Court appearance last month, v building was surrounded by suppo

Mr Steenkamp, wearing a da and white shirt, was subdued du appearance today.

The case was postponed to A when he and Dr Boesak, former he foundation and leader of the National Congress in the Weste will stand trial.

Prosecutor J C Gerber told M A M van Niekerk the trial shou started today, but that the defence more time to prepare their case.

Judge Van Niekerk scrapped o Steenkamp's bail conditions – tha to report to the Parow police statio Sunday. His bail of R2 000 was exte

EU to be approached for technical help on aid

BD 15/4/97 (297)

John Dludlu

SA, WHICH receives about R600m a year in development aid from the European Union's 15 states, would this week ask for technical assistance from the EU in a bid to speed up the implementation of the five-year aid programme, a senior government official said.

Last year EU officials expressed concern about Pretoria's slow pace in granting aid programmes.

The finance department for international development co-operation will hold a week-long technical discussion on the aid programme process. Finance department director Shaheed Raji said yesterday government would suggest the EU provide technical assistance to speed up the process.

One of the factors slowing the programme was the complex and different sets of regulations with which officials from both sides had to comply. There was a need to harmonise procedures, he said.

This year's discussions, headed by EU negotiator Jean-Claude Boidin, started after it was agreed the programme's focus needed to be narrowed to maximise its effect.

Three categories were established that replace the EU's special aid to victims of apartheid. These were basic social services, private sector development, and good governance and democratisation initiatives. The rationalisation had not affected the scale of the programme, he said.

Funding from the EU in 1996/97 included 24,5-million ecus for Cato Manor, 19-million for public service management, 17-million for technical support for education, 16-million ecus for parliamentary support and 15-million for the nongrid electrification of rural areas.

Raji said the talks would also include the budget for 1997/98.

An EU spokesman in Brussels said officials were also expected to discuss bilateral financial and development co-operation beyond 1999.

It is still unclear whether SA, which receives the largest aid package from the EU outside Europe, will be integrated into the Lomé Convention's aid arrangements after 1999.

The 70 African, Caribbean and Pacific countries that are partners to the convention receive development aid from the European Development Fund.

SA expects partial membership to the convention, which will exclude it from aid protocols, at least until the convention expires.

Details of Boesak's alleged misappropriation of funds tabled in court

Linda Ensor

CAPE TOWN — Details of how cleric and former Western Cape African National Congress (ANC) leader Allan Boesak allegedly misappropriated and fraudulently misspent R9m in foreign donor funds were tabled for the first time in the Cape High Court yesterday.

The 58-page indictment alleges that the Foundation for Peace and Justice — of which Boesak was director and co-accused Freddie Steenkamp was the book-keeper — did not spend much of the funding earmarked for development or assistance to victims of apartheid on these projects.

Steenkamp received the indictment in court yesterday when the case was postponed to August 4. He and Boesak have been charged with 20 counts of theft and 11 charges of fraud, with Boesak facing an additional fraud charge.

The state alleges that R5,7m was spent fraudulently for purposes other than those specified by donors, mostly Danish charity DanchurchAid, Swedish International Development Agency (SIDA) and the Church of Norway. An amount of R3,3m was allegedly stolen from the projects for which the money was intended.

Boesak was alleged to have personally benefited by R1,12m between November 2 1988 and August 2 1994, and Steenkamp by R1,3m.

The projects included:

- A social upliftment project in Carnarvon/Van Wyksvlei, to which foreign donors donated R196 375 and which allegedly received R20 440;
- A preschool education project in the Karoo, which was given R494 186 by DanchurchAid, of which it allegedly received R60 000;
- A shop-building project, in Loxton, which was donated R71 440 by DanchurchAid, of which it allegedly received R15 000; and
- The Northern Areas Co-ordination Committee Project, which was given R128 205 by the Church of Norway, of which it allegedly received R13 500.

Boesak and Steenkamp allegedly misrepresented to the Coca-Cola Foundation in the US that the R140 935 it

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donated was used for the Carnarvon project when it was used for profit-making purposes for the foundation. In the end it was used to reduce the foundation's overdraft.

The accused were charged with stealing R447 111 from the Children's Trust. Other charges related to the alleged use of R762 521 of SIDA money to build a film and television studio for Boesak's wife, Elna.

The indictment claimed that Boe-

Continued on Page 2

Boesak (297)

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Continued from Page 1

sak and Steenkamp presented false annual financial statements to donors. Expenditure items such as salaries, transport costs and staff loans were reallocated to project accounts.

The indictment alleged that R130 158 donated by SIDA was used by Boesak to improve the security of his car, house and office. Such amounts were reflected as project expenditure.

Boesak was individually charged with failing to fulfil his duties as a trustee and director of the foundation. Donors, the indictment said, were prepared to donate money to the foundation year after year because they trusted Boesak as a minister and chairman of the World Council of Churches.

He was alleged to have given the false impression that he would not act negligently with donor funds.

FINANCIAL PROBLEMS 'CONCEALED'

Boesak, Steenkamp face 32 charges of theft and fraud

CT 15/4/97 (297)

ALLAN BOESAK and Freddie Steenkamp are to face 12 charges of fraud and 20 of theft, according to the 32-page High Court indictment.



INDICTED: Allan Boesak will stand trial in the High Court with Freddie Steenkamp from August 4. *GRAPHIC: V SOHA*

DETAILS of the charges on which Dr Allan Boesak and Mr Freddie Steenkamp will stand trial in the High Court later this year, emerged for the first time yesterday.

This occurred when Steenkamp, former bookkeeper of the Foundation for Peace and Justice, made a brief appearance in the Magistrate's Court.

According to the 58-page indictment, signed by Cape Attorney-General Mr Frank Kahn, Boesak and Steenkamp face 32 charges, 12 of fraud and 20 of theft.

The state has already released the list of 167 state witnesses it may call, many of them prominent in the anti-apartheid struggle. They include the Rev Jan de Waal, the Rev Lionel Louw and Professor Charles Villa-Vicencio, who were trustees of the Foundation for Peace and Justice, and Archbishop Desmond Tutu and former Black Sash president Mrs Mary Burton, who were trustees of the Children's Trust.

The court has already ordered Boesak not to communicate with state witnesses.

According to the indictment, Boesak, because of his past and because he was a minister and president of the World Alliance of Reformed Churches, was internationally known and trusted by potential donors. For that reason he was entrusted with collecting funds so that the foundation, founded in October 1985, could continue with its activities.

The state alleges on counts 1, 2 and 3 that:

Between December 1, 1991 and April 30, 1992, Steenkamp and Boesak defrauded the Coca Cola Foundation in the US by concealing the fact that $50 000 (R140 935), for which the foundation had applied to be used for the Caravan Project at Carnavon, would be used either for the benefit of the foundation or the Cross Times Trust Project, which needed $100 000 as bridging finance for an overseas loan.

Steenkamp and Boesak allegedly concealed the fact that the foundation was in financial trouble. They used the $50 000 to improve the foundation's financial position.

They are also alleged to have stolen R161 000 from Scandinavian donors DanChurchaid on November 22, 1991 from communities for which it was intended.

Regarding charges 4 to 7, the state alleges that internationally renowned singer Paul Simon donated R682 261,21 to Boesak to be used for child victims of apartheid. The money was paid into the World Alliance of Reformed Churches' (WARC) Kuils River bank account.

At Simon's request Boesak, Burton and Tutu were appointed as trustees of the Children's Trust.

A bank account was opened at Kuils River but only R423 000 was transferred from the WARC's account to the Children's Trust account. At a trustees' meeting on May 23, 1988 Boesak informed Burton and Tutu that R423 000 was available for deserving cases.

The state alleges they defrauded the trustees by pretending that Simon only gave R423 000 and that they stole the difference of R259 161, 21.

It is also alleged that, on September 21, 1993, Boesak signed an agreement with the Swedish International Development Agency (Sida), in which he undertook to use a donation of R762 521,86 to make 12 video cassettes for voter education in the 1994 elections.

However, R640 000 was unlawfully transferred from the foundation's Audio Visual Project to the foundation to decrease its overdraft. The state claims that Steenkamp and Boesak concealed the fact that the money was needed to equip a studio for Boesak's wife, Elna, for use as a radio and television station.

Counts 10 to 16 (fraud) in the indictment deal with the financial statements of the foundation for the years ending February 28, 1988 to 1994.

The state alleges in counts 17 to 30 that between 1989 to 1994 Steenkamp and Boesak stole R831 364,81, intended for specific projects, from either DanChurchaid or the Church of Norway.

The state further alleges that between November 2, 1988 and August 2, 1994 Steenkamp and Boesak received various unauthorised amounts from the foundation for personal use which did not form part of their salary package.

The state claims that Steenkamp stole R1 268 912,27 and Boesak R1 121 947,69.

The final charge according to the indictment is that between January 1, 1988 and February 6, 1995, Boesak pretended to the trustees that he did not act recklessly or negligently, that the funds given by donors were used for their intended purpose, and that in the execution of his duties he had acted with due diligence and care.

The trial starts in the High Court on August 4. — Staff Writer

NEWS NATIONAL

Boesak, Steenkamp on R8,8-m charges

(297) Sowetan 15/4/97

Theft and fraud allegations outlined in 58-page court document

FORMER head of the now defunct Foundation for Peace and Justice Dr Allan Boesak and the foundation's former bookkeeper Mr Freddie Steenkamp are to be charged in the Cape High Court on August 4 with fraud and theft involving R8,8 million.

In a 58-page charge sheet signed by Western Cape Attorney-General Frank Kahn and formally handed in to the court yesterday, Boesak and Steenkamp stand accused of 32 charges — 12 of fraud involving R5,7 million and 20 of theft involving R3,1 million.

The charge sheet alleges that the pair defrauded or stole donor funds from, among others, the Coca-Cola Foundation, Danish charity Danchurch Aid, the Swedish International Development Agency, the Church of Norway, and American singer Paul Simon.

They are also alleged to have misrepresented to the Coca-Cola Foundation of Atlanta in the United States that donor funds were required for a rural pre-school project at Carnarvon and Van Wyksvlei and then used the funds for a profit-making undertaking in the Eastern Cape. This involved about R140 935.

The charge sheet also alleges that they stole more than R259 000 from a R682 000 donation to the Children's Trust by Paul Simon, about R831 300 from Sida, R484 000 from Danchurch Aid and a further R347 000 from the Church of Norway.

It further accuses Steenkamp and Boesak of enriching themselves with R1,268 million and R1,121 million respectively in donor funds from the Foundation for Peace and Justice between November 2 1988 and August 2 1994.

Returned voluntarily

Boesak returned to South Africa voluntarily last month to face the charges levelled against him after spending almost two years lecturing in the United States.

Boesak appeared in the Cape Town Magistrate's Court on March 17 and Steenkamp yesterday. In both instances, the case was postponed to August 4 for trial. – *Sapa.*

Danish aid to come to an end next year

DIRECT Danish aid to South Africa would come to an end next year and funding would be channeled to the region as a whole through the Southern African Development Community instead, Danish Minister for Development Cooperation Mr Poul Nielson said in Cape Town yesterday.

However, a programme to encourage joint ventures between Danish companies and previously disadvantaged South African entrepreneurs would continue until the year 2001 or 2002, he said. Denmark budgeted about R550 million for aid to SA between 1994 and 1998 in terms of its Transitional Assistance Programme.

Nielson is on a five-day working visit to South Africa at the invitation of Finance Minister Trevor Manuel. - *Sapa.*

Sub-Saharan plan reflects three vital lessons

about aid

A new US initiative to aid development in the sub-Sahara region is deserving of serious study, says Stephanie Flanders in her second article on the region

BD 16/7/97 (297)

THE plight of much of sub-Saharan Africa is beginning to get the attention among policy makers that it deserves. But what, precisely, can be done?

Jeffrey Sachs, director of the Harvard Institute for International Development, recently submitted one possible plan of action to the US treasury and members of Congress.

The spirit of the institute's proposals, if not the detail, is in line with the latest conclusions of many African governments as well as academics and long-time development workers. Whether Congress will back the proposals is another matter.

Sachs focuses on the US, although much of the plan relies on, or would be strengthened by, co-operation with multilateral organisations such as the World Bank and donors such as the European Union.

Dubbed A Partnership for Growth in Africa, the plan would involve the US taking the lead in giving selected African countries various kinds of help:

☐ Expanded access to US markets to foster rapid growth of exports, conditional on significant economic reform and trade liberalisation by the recipients;

☐ Rapid write-offs of foreign debt (considerably more generous than the multilateral debt initiative launched earlier this year);

☐ Temporary balance of payments support to help macroeconomic reform;

☐ US corporate tax incentives to stimulate direct foreign investment in the region;

☐ Direct support for basic and applied research in health, agriculture and the environment; and

☐ Help in revitalising and expanding vital infrastructure, especially rural roads and telecommunications.

At first sight, the proposals seem to have much in common with other high-profile efforts to support African development which have been launched repeatedly since the 1960s.

In 1965, the average per capita income in sub-Saharan Africa was 60% of the developing world average; today it is less than 35%. Sceptics are entitled to ask why this new initiative should be any more successful.

The plan reflects three key lessons about development and the effect of foreign aid, only recently fully understood. The first is the central importance to growth of being open to the outside world. Like many other academics in the field, Sachs reckons moving from closed markets to completely open ones can boost the growth rate of the average developing country significantly; by his reckoning, by as much as 2,2 percentage points a year.

Protectionism in sub-Saharan Africa appears to have played a particularly large part in the region's stagnation.

A World Bank study published last year found that domestic trade barriers in sub-Saharan Africa cost the region $11bn a year, equivalent to the total aid to the region from developed countries in 1991.

The second lesson is the need to be selective. It is clear — and this is given strong support by new World Bank research — that aid cannot create the political and institutional conditions for successful changes in policy; it can only exploit them.

Yet this conclusion, however damning, need not be a counsel of despair. Craig Burnside and David Dollar, authors of the World Bank study, note that quite a few poor countries have recently stopped talking about reform and started delivering.

Heavy debt relief and other help could make a huge difference to their long-term success. If only donors would decide to focus more assistance on these countries, and less on places where it is likely to be wasted.

On the same reasoning, the Harvard institute's proposal reckons that only a small number of sub-Saharan countries might qualify tomorrow for the new programme. It lists five possible candidates: Uganda, Ghana, Mali, Malawi and Mozambique.

The third key element of the plan, which tallies with the recent thinking of many African governments, is that this time the support must have a credible time limit. Across the continent, aid recipients and aid providers are more and more aware of the economic and social damage caused by long-term dependency.

Where aid makes up between 15% and 30% of gross domestic product, and 50%, even 75%, of domestic investment, the government is almost a bystander in its country's affairs. Almost every decision, every investment, is either taken by donors or taken with them in mind.

Many programmes are now designed to guard against this problem. But the sheer volume of outside involvement makes it all but inevitable. Countries taking part in the Harvard institute's plan would get short-term support in managing the transition to a pro-growth strategy, but it would be limited to five years.

At the end of the process, foreign aid as we know it will come to an end. Any country which abandons the programme halfway through would lose all direct or indirect assistance, and would not be able to reapply for five years.

Is any of this possible? Believable, even? The US Congress and the parliaments of other major donor countries may not think so. Nor may they think that the chance of encouraging faster growth in Africa merits the estimated $1,4bn a year price tag of the entire package.

With such a long legacy of failure on both sides, it is perfectly possible, likely even, that something close to the Harvard institute's plan will not achieve a dramatic change in sub-Saharan Africa's prospects.

But the evidence suggests it would be a signal improvement on the status quo. In any event, just over one-hundredth of 1% of the combined budget of the governments of the Organisation for Economic Co-operation and Development seems a small price to pay to find out. — Financial Times.

☐ *Stephanie Flanders' article on the dangers of economic failure in sub-Saharan Africa appeared on Thursday last week.*

Provinces won't be allowed to operate lotteries, says Landers

(297)

WILLIAM-MERVIN GUMEDE
POLITICAL STAFF

ARG 17/4/97

Provinces will not be allowed to operate lotteries to raise revenue as this was the prerogative of the national government, said Luwellyn Landers, chairman of Parliament's ad hoc committee on gambling and lotteries.

Provincial governments could raise money by taxing gambling outlets in their provinces but could not set up provincial lotteries.

Mr Landers was responding to speculation that the Western Cape provincial government was looking into the possibility of establishing a provincial lottery for the province as a means of extra income.

He said plans to have South Africa's first national lottery in place by the second half of next year were still on track.

The national government, via a lotteries board, would be the main regulator of the lottery. A private operator would see to the commercial running of the lottery.

'Private lotteries will have to be restricted in the early stages so as not to compete with the national lottery'

The Trade and Industry Department had appointed consultants Deloitte and Touche to establish the national lottery. A project team, consisting of local and international experts, were finalising the project.

Mr Landers said the first step towards establishing the lottery would be to revise the draft Lotteries Bill in order to make provision for international contributions to the lottery.

The bill was expected to be enacted not later than July and the Lotteries Board would then be formally constituted.

The Lottery Operator's Licence Agreement, which would govern the operations of the eventual lottery operator, would be drafted at the same time as the legislation to ensure consistency between the two.

Mr Landers said a request for proposals for the national lottery operator's contract would be issued by the Trade and Industry Department by the end of August.

Tenders for the lottery contract would have three months to submit their bids.

Detailed comparative evaluation of the bids would take about three months and the successful tender would be announced between March and April.

Chris Fismer, former Minister of Provincial Affairs and Constitutional Development, and now adviser to the ad hoc committee on gambling and lotteries, said companies bidding for the lottery concession must include black empowerment groups.

Private lotteries would have to be restricted in the early stages of the national lottery's operation so as not to compete with it.

In time the conditions restricting private lotteries would be lifted, he said.

BOLAND BANK OWED R300 000

Boesak faces new court action

CT 17/4/97 (297)



BOLAND BANK yesterday filed for a sequestration order against the Foundation for Peace and Justice and asked for an independent curator to investigate its affairs. **RONALD MORRIS** reports.

DR ALLAN Boesak, soon to stand trial in the High Court on charges of theft and fraud amounting to almost R9 million, faces new court action for almost R300 000.

Boesak, as former director of the Foundation for Peace and Justice (FPJ), was cited along with the Rev Jan de Waal and the Rev Pierre van der Heever as respondents in an application by Boland Bank for the sequestration of the FPJ on the basis that it owes the bank R295 403,35 plus interest for monies lent.

The court was also told that three FPJ employees had obtained loans from its trust fund for R90 000, R34 000 and R90 000.

One of the employees, Mrs Lucille Fester, admitted that she had received FPJ money and, despite her undertaking to do so, had not repaid the money.

In papers, Mr Jan Kock van der Merwe, group manager, credit control, Boland Bank, said Mr Freddie Steenkamp, former FPJ bookkeeper, had told him on January 6, 1995, that he owed the Foundation R700 000 and had undertaken to repay the bank.

Steenkamp wanted Boland Bank to finance the repayment, but when he was unable to provide security, nothing came of his stated intention, Van der Merwe said.

In a discussion three days later with De Waal and Boesak, he was told that initial investigations indicated that Steenkamp had misappropriated about R1 million from the foundation's trust fund.

He was also told that financial statements compiled by the FPJ's previous auditors did not reflect the transfer of funds from the foundation's trust account to Steenkamp.

De Waal told him later that the trustees were waiting for the completion of an investigation by the Office for Serious Economic Offences before they could act.

"To the best of my knowledge, no action had been taken against these people. De Waal told me the Foundation for Peace and Justice was no longer operating and no one was looking after its affairs."

The FPJ had to all practical purposes ceased to exist, Van der Merwe said.

Boesak had told him that in addition to Boland Bank, the FPJ also owed other creditors about R100 000.



JUDGMENT OBTAINED: Dr Allan Boesak

A sequestration order would be in the interest of creditors and the appointment of an independent curator would result in a thorough investigation into the foundation's affairs and all assets.

Any money owed to the FPJ could be collected to the benefit of Boland Bank and other creditors, Van der Merwe said.

Mr Petrie Burger, manager: credit control at Boland Bank's head office in Paarl, said that on January 15 this year the foundation had owed the bank R295 403, 35 plus interest for monies lent on an overdrawn account.

As security the bank held a notarial bond over FPJ movable assets and deed of suretyship signed by Boesak.

The bank had obtained judgment against Boesak as surety guarantor and in October last year brought an application that the foundation surrender all movable assets as security.

The foundation's only asset was a sum of R100 000, Burger said.

Mr Justice R Comrie postponed the application to May 7.

Mr Nelis Kruger, instructed by Mr J N Swart of Van der Spuy and Partners, appeared for Boland Bank.

UK-SA talks in city may net millions for bid

(297)

MICHAEL MORRIS AND CHÉNE BLIGNAUT (288)
STAFF REPORTERS

ARG 18/4/97.

Multimillion-rand joint venture opportunities in tourism, development and Olympic-related projects are expected to flow from intensive discussions in the city next week between top British executives and their South African counterparts.

The Britain Means Business workshops from Tuesday to Thursday hold the promise of injecting substantial British expertise into the preparations for the Olympic project, the development and expansion of tourism and mobilising investment capital nationally.

The high-powered 50-strong delegation, led by the Duke of Kent, reflects Britain's determination to forge stronger trade and investment links with South Africa.

Delegates include leading architect Norman Foster; Gordon Edington, chairman of the company that runs Heathrow and Gatwick airports near London; Gareth Evans, head of the British Tourist Authority; Raymond-Pierre Chigot, vice-president of Hilton International; Brian Pearse of Lucas Varity PLC; and Alastair Morton, honorary president of Eurotunnel Group.

British High Commissioner Maeve Fort said yesterday: "We mean to bring to Cape Town a blockbuster series of commercial, sporting and cultural events.

"The principal objective is to show how

To page 2

UK-SA talks may mean millions for Olympic bid

From page 1

ARG 18/4/97

Britain's global experience can help Cape Town score from the 2004 Olympics."

All events had been tailored to meet South Africa's developmental needs, she said.

Among the delegates visiting the city next week will be Rod McGeoch, a director of the organising committee for the Sydney Olympics, who will share the Australian experience with Cape Town's bid team.

Ms Fort pointed out that British finance houses had "scored major successes in advising the South African public sector on restructuring".

"Next week they will talk about financial engineering – the options available for turning the Olympic bid into a reality."

The Britain Means Business project, launched in 1994, "represents an ongoing UK commitment to the economic as well as political success of the new South Africa", she said.

Since it began, the initiative had brought together 1 500 British and South African potential partners. During the past year, British/South African partnership deals had been struck at a rate of one every fortnight.

Since 1994, South African exports to Britain had risen 26 percent and UK imports to South Africa 33 percent, Ms Fort said.

Fraudsters milk social services

Rural folk fake claims for state aid

ST 20/4/97(297)

YVETTE VAN BREDA

THOUSANDS of people in the Western Cape are milking the social services system by fraudulently claiming disability, maintenance and other grants.

In McGregor in the Klein Karoo siblings were allegedly caring for each other's children and then claiming foster grants, and others were receiving disability grants for minor ailments such as controllable epilepsy, stuttering, sore backs, and swollen legs, Cape Metro was told during a visit to the picturesque hamlet this week.

Sources said young people were claiming their dead parents' pensions, while others were receiving disability grants for dead relatives. A major concern was that people spent much of their state grants on alcohol.

But Almo Geldenhuys, spokesman for the Western Cape's Social Services Department head, Virginia Petersen, said this situation was not unique to McGregor, which fell under Worcester district.

The Western Cape had embarked on an aggressive campaign to root out fraud and corruption, and in 1995 had hired forensic auditing company, Ernst and Young, to conduct an independent investigation.

"There appears to be high incidences of fraud and irregularities in that area," Geldenhuys said of Worcester area this week.

"In terms of fraud by beneficiaries, 166 cases have been handed over to the SA police for further criminal investigations," he said.

More than 2 000 benefit applications had been cancelled due to non-entitlement on the part of beneficiaries, although they were not necessarily fraudulent.

About 1 000 cases still needed to be followed up in the area and the team had not yet covered McGregor, although they expected to begin there in about a month.

A social worker confirmed that defrauding the system was rife among the farming communities. There was a perception that the state was responsible for them, and it was up to the government to change that mentality, said the social worker.

The social worker said: "If you look at the pensions that come into one house sometimes, it's amazing. The man might be getting an old age pension; the woman gets disability, although she may not be too sick. Then they've probably got a couple of grandchildren to look after, so they get a grant for them. On top of that they get all the other concessions that go with being on a state grant, like free medical treatment and concessions on TV licences. So it's easier for them to sit at home and claim these amounts than go to work."

She said wives sometimes applied for a state maintenance grant on the grounds that the husband was missing. "But people have a habit of going missing successfully. We've often had the father open the door and then say he did not live there. So she gets a grant."

If a parent got a disability grant or was in jail the children automatically received state money, she said.

Because of shortcomings in the issue of disability grants, the National Department of Welfare was involved in a review of the current system, in search of a more reliable alternative. The department was upgrading its control systems and establishing its own monitoring units, Geldenhuys said.

He added that the reporting of alleged fraud and other irregularities was a social responsibility and the department encouraged people to help curb fraud by using the toll free number: 0800 2202 250.

SA, EU set to sign accord on R2bn grants

John Dludlu BD 21/4/97 (297)

DEPUTY Finance Minister Gill Marcus and European Commission director-general for development Philippe Soubestre would sign an agreement next month on the commitment of the remaining grants — worth about R2bn — from the EU, a joint statement said at the weekend.

This was after the conclusion of a week-long round of technical talks on the union's five-year aid programme. The two sides had decided to narrow the focus of the aid programme, known as the multi-annual indicative programme, to three areas.

These were basic services, private sector support and good governance and democratisation.

In their joint statement, SA and EU officials, led by commission negotiator Jean-Claude Boidin, said they had reached agreement that nongovernmental organisations and other development institutions would continue to play a major role in the implementation of the aid package.

Prior to the 1994 elections the EU channelled its aid, then known as the special aid for the victims of apartheid, through nongovernment organisations.

The statement suggests that the second framework agreement between SA and the European Investment Bank, committing loans worth nearly R2bn to SA for two years to 1999, could be signed in September. Since 1995 the European Investment Bank has committed loans worth about R1,5bn over two years to SA after signing a framework agreement with SA authorities.

Earlier in the week, Shaheed Raji, a finance department director who led the SA team, said Pretoria would request technical assistance from the EU to speed up the implementation of the aid package.

Welfare bodies fight R2,9-bn cut

ARG 22/4/97 (297)

POLITICAL CORRESPONDENT

A wide range of organisations are calling on Welfare Minister Geraldine Fraser-Moleketi to rethink what they calculate to be a R2,9-billion cut from government child support over the next five years.

The organisations are giving evidence at National Assembly welfare committee hearings in response to the Lund committee on child and family support.

The organisations include the SA Council of Churches and the Western Cape Community Partnership Project.

They said the scheme would mean the Government would spend R75 a month on 3-million of the country's 14,3-million poverty-stricken children.

PROTEST AT PARLIAMENT

Women march over maintenance cuts

CT 22/4/97 (297)

BITTER FEELINGS were reflected yesterday in placards carried by women protesting against the plan to cut maintenance payments. **PETER DENNEHY** reports

THREE hundred angry women marched on Parliament yesterday to protest against the cabinet's acceptance of the Lund Report, which will cut state maintenance payments to women and drastically reduce payouts for children.

At present, the state pays R135 a month per child who qualifies, until the child is 18, and the mother who qualifies gets R430 a month. The payment to the mother is to be phased out over five years, at 20% a year, from August 1 this year.

The payment per child will be reduced over the same period from R135 to R75. Payouts for children over six will also be phased out gradually.

Mrs Howa Mohammed, of Mitchells Plain, said her husband had had eight nervous breakdowns, and he was unable to work. She stayed at home to look after him and their four children.

"I depend so much on this money," she said, struggling to hold back tears.

Ms Sheila Maake, of Khayelitsha, said she was ill and the doctor had put her off work until she recovered — but in the meantime she did not know how she would feed her children. She does not yet receive a grant.

"I applied in January last year. They ask where my husband is. I must go and hunt for him, after nine years. I don't know where he is. Why should my grant be held back, while I am still hunting?"

Mrs Mieta van Rooyen, of Tafelsig, said she had four foster children, and she did not work.

"Out of that money I must pay rent, and pay for food, and for clothes and school fees. One child's shoes cost over R100. The school fees are R40 ... I have run up a debt of over R1 000 for the children. When we were under De Klerk, we did not suffer so much."

Mrs Darlina Tyawana, also of Tafelsig, scolded Van Rooyen for "coming with your political agendas".

"This is a New Women's Movement. Wherever you belong (politically), you are part of this. We are all oppressed women. You must know Madiba got an empty (money) box, because the money was abused by the previous government."

Tyawana, who had a loudhailer and was acting as a leader, explained where the fathers of the children were, and why they did not contribute to the maintenance of their children so that the state's burden would be lessened.

"Some are widows. Some husbands are unemployed. Some are disabled. Some never got married, and now the fathers are lost," she said.

Bitter feelings were evident from the placards which the women carried: "Lund, we your sisters bleed while you feed your face", and — referring to Welfare Minister Mrs Geraldine Fraser-Moleketi — "Moleketi, how much do you spend on food a month, R75?"

Another placard pointed out that R75 a month would buy no more than a loaf of bread daily.

At the gates of Parliament, Fraser-Moleketi and provincial Welfare MEC Mr Ebrahim Rasool received the memorandum from the New Women's Movement.

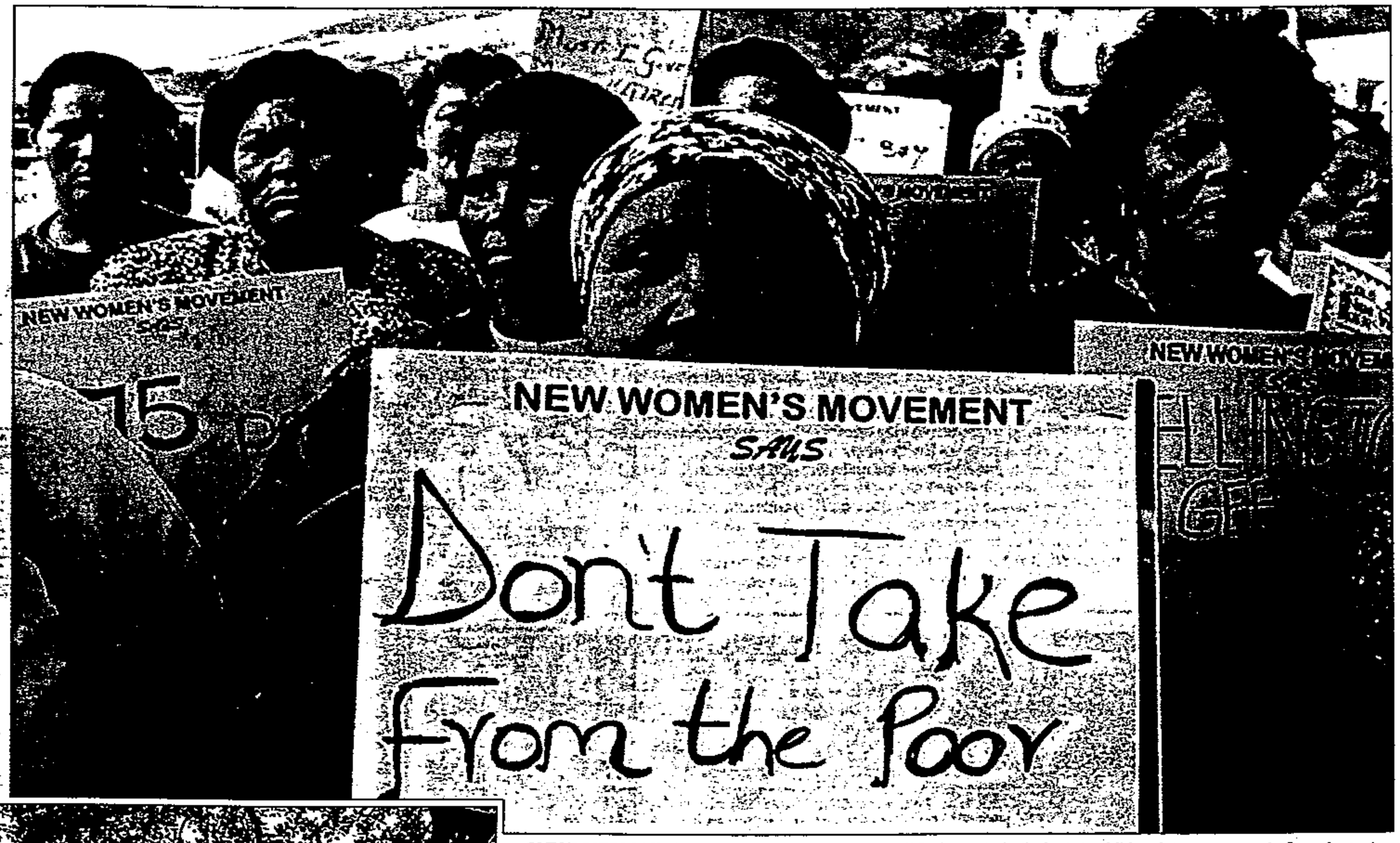
Fraser-Moleketi said the State Maintenance Grant had been reaching a small section of the population, mainly whites and coloureds. The new system would seek to de-racialise the grant.

"Figures for 1990 show that 48 out of every 1 000 coloured children and only 2 per 1 000 African children were receiving the grant. Currently a mere 203 262 children (countrywide) are receiving the benefit. Our goal is to reach nearly three million poor children by 2005, at an estimated cost of R2,7 billion. The current state maintenance grant costs R1,3bn."

She said the decision had not been "anti-child" or "anti-women", nor a punitive measure against the Western Cape.

"We based the decision on what resources the government has, and how we can target the poorest of the poor."

Fraser-Moleketi said R75 was slightly higher than the minimum required to clothe and feed a child under six years of age. It was meant to supplement other household income.



CLEAR MESSAGE: These stony-faced women are all facing cuts in their state child maintenance grants from August this year, and they don't like it. The New Women's Movement differs from the old one (which, in South Africa, has faded into inactivity) in that it is more grassroots-based, they said. *PICTURES: BENNY GOOL*



BITTERNESS: Howa Mohammed (centre) of Mitchells Plain cries as she talks of her struggle to provide for her four children on state maintenance grants, which are now set to decline. Neither she nor her husband has a job. Beside her are Darlina Tyawana (left) and Mercia Adams (right).

Of giraffes, a taxi driver and a hypnotist

PRETORIA: Hypnosis might be used to trace the minibus taxi driver said to be responsible for the accident which killed nine giraffes in transit near here last week, police yesterday said.

Investigating officer Sergeant Gawie Nel said Mr Rankin Rutherford was prepared to undergo hypnosis to try to recall the taxi's entire registration number.

He was a passenger in the truck transporting the giraffes when it overturned while swerving to avoid an overtaking minibus.

Nel said people who remembered parts of a registration number in most cases recalled the whole number under hypnosis.

"Hypnosis has in the past been of value in helping us solve criminal cases," he said. — Sapa

TERRYS
205 MAIN ROAD PLUMSTEAD, SHOP 5, GABRIEL HOUSE
(Next to Shoprite car park)

R13-m to give the disabled easy access

ARG 24/4/97

297

The Government is spending R13-million this year to provide access to public buildings for people with physical disabilities.

Speaking in the National Assembly yesterday, Public Works Minister Jeff Radebe said this amounted to a ten-fold increase over the previous budget.

The Government also faces a R1 billion a year maintenance backlog on public buildings with 12 000 extra buildings having been "unearthed" during the compilation of a register of fixed state assets, he said. – Political Staff

RDP trickle turns into torrent

Westlake site to get Marconi Beam treatment

ARG 29/4/97 (297)

CLIVE SAWYER AND PETER GOOSEN
STAFF REPORTERS

The Government has forecast major breakthroughs this year in the Reconstruction and Development Programme, including 200 000 new houses and school feeding for five million pupils a day.

And in a big RDP boost unveiled today, a neglected 100ha site in Westlake on the southern boundary of Pollsmoor prison has been handed to the South Peninsula municipality for development, including upgrading informal settlements.

The land is occupied by informal settlements, two hospitals, the Westlake Technical College and the Ark City of Refuge.

Graham Lawrence, chairman of the council's executive committee, said it was the largest joint venture the council had worked on.

Central Government, the Western Cape government and the council have agreed the site will be developed along the same lines as Marconi Beam near Milnerton. The informal settlement at Marconi Beam is being upgraded as part of the RDP.

In a glossy "mid-term report to the nation" published today, the Government said the economy was in a long-term upswing and that a partnership had been forged between business, government and trade unions.

It said that while there had been achievements in implementing Government plans, the emphasis since May 1994 had been mainly on planning, which would now be followed by delivery.

Outlining plans for this year, the report forecast that:

- The school feeding programme, now serving three million pupils, would be extended to reach five million.
- The nutrition and social development programme, which reached 1,3 million people last year, would benefit 1,5 million.
- 200 000 houses would be built, mainly for people who qualified for subsidies.
- About 25 cases were expected to be finalised by the Land Claims Court, benefiting about 50 000 people.
- The community water supply and sanitation programme would serve a further 1,7 million people this year and two million in 1998.
- About 600 clinics would be built or upgraded and 100 more mobile clinics provided.
- Cataract operations would be increased by 25 percent, restoring sight to 52 000 people.
- Human resource development would include curriculum and teacher development, the establishment of a national task team on life skills and HIV/AIDS training, and the setting up of transformation forums at all higher education institutions.
- Measures to promote growth and rising productivity.
- The introduction of a Competitiveness Fund and a Sectoral Partnership Facility as grant-matching programmes to enable firms to hire consultants to boost competitiveness.
- Stronger political management of the crime prevention strategy, the spending of R1,2-billion on improving the system and better resources for courts and police.

"Today, particularly with democratic local government, communities throughout the country are beehives of activity," the report said.

"Away from national media coverage, streets are being tarred, refuse collection is being improved, schools are being renovated, clinics are being built and upgraded and housing projects are being started."

Defence Force marches into new SA, page 4



Good times ahead: how the mid-term 'report to the nation' is presented

Marcus: graft eats up 12% of welfare budget

(297)

Nicola Jenvey

BD 30/4/97

DURBAN — Fraud and corruption had consumed 12% of the country's welfare budget, making it essential that government close every loophole to guarantee efficient spending in the process of transforming SA's economy, Deputy Finance Minister Gill Marcus said yesterday.

Addressing the Transformation in SA conference, Marcus said a key element of the national budget was ensuring efficient government spending. Fraud and corruption had to be stamped out, with tax and customs loopholes closed to maximise the collection net.

Marcus said by March 1998 national debt would reach R342bn with interest payments accounting for R40bn of gross domestic product — 10 times greater than the amount SA could afford to spend on housing, and three times larger than KwaZulu-Natal's provincial budget. Tight fiscal discipline was essential.

KwaZulu-Natal economic affairs and tourism MEC Jacob Zuma said government's development initiative had identified several significant projects within Durban's port.

Zuma said the potential southern industrial basin from the port to the international airport would include investment into a new container terminal, a passenger terminal and a shipping services centre.

The latter would house more than 350 shipping companies, the port authorities, customs and excise, and numerous tourism and commercial ventures along the harbour.

An industrial development zone in the harbour was being considered. It would be developed by a private sector company and would offer industrial infrastructure, quick labour mediation and union recognition and minimal red tape for duty rebates.

Act may knock sales schemes

New lottery legislation will be much stricter

(297) ARG 3/5/97

The introduction of the new Lotteries Act, which is expected to become law in May or June, holds some nasty surprises for unsuspecting companies which organise sales incentive schemes or competitions as a form of sales promotion.

A warning for these companies comes from lawyer Joe Louw of the Cape Town firm of Bisset Boehmke McBlain, who specialises in advertising and marketing law.

"Unlike the Gambling Act," he says, "which had numerous loopholes through which one was able successfully to run particular types of competitions and incentive schemes, the new Lotteries Act is a lot stricter. When it comes into effect, it will forbid most prize competitions and incentive schemes and, unlike the Gambling Act, it is likely to be enforced."

He explains that from a competition point of view, the Lotteries Act will be identical to its predecessor, but is likely to have fewer loopholes. One of the reasons for this is that a new section provides that "no person shall . . . in connection with any trade or business or the sale of any article to the public . . . conduct any competition in which success does not depend to a substantial degree on skill".

This is, however, not as bad as it at first appears.

Louw explains: "The thrust of the gambling legislation is to prohibit what one may call unlawful lotteries. An unlawful lottery is any scheme whereunder participants pay or subscribe to something for the right to receive a prize on occurrence of a chance event.

"There are thus three elements to an unlawful lottery, and if all three are simultaneously present in any particular promotion, the promotion will be an unlawful lottery."

The three elements are "subscription", "prize" and "chance". Since all competitions involve prizes, the question in most promotions is whether or not one can successfully eliminate the elements of subscription or chance.

The courts have held that no scheme can be a scheme involving skill unless the skill of each participant is individually tested against the skill of all other participants. The fundamental rule is that if there is any form of draw or other system of chance which applies at any stage, the scheme will be one in which chance is the dominant factor.

"The answer in devising a lawful promotion therefore lies in finding a way to eliminate the element of subscription," suggests Louw.

The Lotteries Act will contain a definition of "subscription" which is likely to read as follows: "Subscription means the payment, posting or delivery of any money, article, matter or thing including any ticket, coupon or entry form for the right to compete in a lottery."

Section 62 of the Bill provides that should there be no subscription, the scheme will not be a lottery.

Louw refers to a promotion which required participants to buy a tin of coffee in order to obtain a coupon which entitled them to a prize. The court ruled that the price of the coffee was for two things: the coffee itself and the right to participate in the scheme.

"The fundamental guiding principle," says Louw, "is that there will be a subscription if there is a link between the payment or delivery of something and the vesting of the right to compete. If that link can be removed, there will be no subscription."

The simplest way of showing how the element of subscription can be eliminated is by saying that the thing that is delivered must not entitle, but rather enable a person to participate.

The difference between the two is that the one is consideration for a right and the other is a mechanism by which a right can be exercised. For this reason it can often be argued that the simple delivery of an entry form is the mechanism of participation.

Louw warns, however, that if there is any other thing to be delivered with the entry form, such as a bar code, logo or something taken from the pack, that other thing will be a subscription.

Louw points to the Sunday Times Finders Keepers Competition as a good example of a promotion which would not contravene the new Act. To participate, entrants had to obtain information, analyse it and send in their answers. There was no particular thing they had to buy or deliver in order to obtain the right to compete.

"In other words, the right to compete was vested entirely independently of the delivery of an entry form. Finders Keepers is therefore an example of a highly successful competition in which the element of subscription was eliminated.

"At the same time, although a great deal of skill was necessary, the final outcome was not a matter of skill, for the simple reason that there was a draw."

Hearings on welfare subsidies

(297)
BD 6/5/97

Kathryn Strachan

THE Gauteng legislature's social welfare standing committee will hold public hearings this week focusing on welfare subsidies and services in the province.

The hearings, which are targeted at nongovernmental organisations, will look at how the welfare department targets its subsidies, how the subsidies are spent, availability of private sector services, and to what extent welfare needs are being met by existing state-funded private welfare organisations.

These hearings were set apart by the fact that they formed part of the Gauteng department of public participation's outreach programme, said standing committee chairman Barbara Creecy.

For the past two months organisations from disadvantaged communities have been trained in how to prepare submissions for hearings and on how the hearings are conducted.

This was done after the standing committee's hearings in August were met with a poor response. Only 130 people out of the 700 invited attended the hearings, despite the fact that they had been widely advertised, and fewer than a quarter of those who did attend had given written submissions to the committee, said Creecy.

Progress made on SA lottery outlined

BD 6/3/97 (297)

CAPE TOWN — It was hoped that the bidding process for proposals to operate a national lottery would be completed towards the end of September this year, trade and industry department consultant Pierre Tredoux said yesterday.

The bids from the various companies would then be evaluated and the results presented to the minister and the new lotteries board by March next year, he told the National Assembly's ad hoc committee on gambling and lotteries legislation.

An operator would then be appointed and licensed to run and manage the lottery.

The department was researching the potential size of the lottery and reviewing legislation as well as investigating pertinent legislation from other nations. The aim was to establish a national lottery and to maximise the flow of funds to pay for "good causes", he said.

SA had only one chance to set up a lottery and it had to be successful the first time, he said.

Brenda Koornhof of Games Africa — the operators of Ithuba, Zama-Zama and Viva scratch-card games — told the committee that the proposed legislation did not address the position of these existing lotteries. Provision had to be made for them to continue until such time as the national lottery began, she said. — Sapa.

Zephare

GAMBLING

(297)

National lottery needs quick action

CT(BR) 6/5/97

Bids by companies seeking to operate South Africa's national lottery should be evaluated by next March, the state-appointed consultants said yesterday.

Pierre Trudeau of Deloitte & Touche told a parliamentary committee quick action was necessary if the lottery was to be in place by the end of 1998, a year later than planned.

"The target date the evaluation committee has set is at the end of March ... hopefully soon after that the lottery board will be in a position to appoint an operator," Trudeau said.

"We believe we have one chance in South Africa to establish a national lottery, and we have to get it right the first time."

Trudeau said legislation needed to be concluded before parliament recessed in June, after which a lottery board could be established and a licensing agreement drafted. The bidding process should close by the end of the year, he said. — *Reuter, Cape Town*

'Loose wording' in Lottery Bill threat to trade promotion

297

Sowetan 8/5/97

CERTAIN provisions in the draft Lotteries Bill threatened to impose a ban on various types of business promotion strategies which have been, and continue to be, an important instrument in product-services marketing, the South African Chamber of Business said yesterday.

Specifically, the definition of lottery and the definition of subscription was such that together they would render illegal any trade promotion entailing the purchase of a product.

The Gambling Act legislation as interpreted by the courts already had this effect, Sacob legislation committee chairwoman Christiane Duval told the National Assembly's ad-hoc committee on gambling and lotteries legislation.

The definition of subscription includes "any ticket, coupon or entry form for the right to compete in a lottery."

Product promotional activities did not constitute a gambling activity because there was no stake which could be lost, nor did they pose a social evil. They merely offered consumers a chance of additional gain and could be interpreted as adding value to the purchase.

It was Sacob's belief that it was "somewhat imaginative" to describe an entry form as a subscription.

A subscription should be something of value, a stake which the participant may lose.

Sacob wanted the wording amended to exclude proper trade promotional activities, Duval said.

Sacob's legal affairs director Ken Warren told the committee the Bill also imposed restrictions on competitions in which the winner was decided through a skills-based test.

The requirement would constrict the legitimate marketing strategies of many manufacturing and retailing firms.

NATIONAL LOTTERY (297)

Entrée, s'il vous plait

Do we need Gallic flair to spin the wheel of fortune?

The company running France's national lottery wants to get in on the local action. Through its international wing, Internationale des Jeux, the 72% State-owned La Francaise des Jeux has appeared before the parliamentary ad hoc committee on gambling and lotteries legislation to stake its claim.

"SA is the diamond of Africa," says international operations sales manager Remi Theis. The French company operates lotteries in Ivory Coast, Senegal, Cameroon, Congo and Burkina Faso. Other international interests include the installation of more than 15 000 terminals in Germany and a joint venture with China to print lottery tickets.

In France, the lottery network comprises 15 000 on-line terminals. In addition, the company trains and regularly upgrades the skills of about 50 000 people involved in the business. It operates its own television studios, where it produces popular shows related to the lottery.

Theis feels that the proposed SA gaming legislation is "technically sound: it is committed to the previously disadvantaged communities; provinces are represented on the proposed board; and it will generally gain respect."

However, he would like to see certain amendments, including the lengthening of the licence period from five to seven years. "The current time span is too short to ensure a proper upliftment of small and medium enterprises — especially in rural areas." And more clarity is needed on what type of games will be allowed.

He predicts that if it sets up locally, Internationale des Jeux will generate more than 50 000 jobs. It is looking for a range of strategic partners with a variety of skills to bring "hundreds of millions of rand" in direct investment to SA.

Piet Badenhorst

FINANCIAL MAIL · MAY 9 · 1997

SA's 'odious debt' dilemma

(297) MHG 9-15/5/97

Colleen Lowe Morna

IN a mood reminiscent of the apartheid divestment campaign, NGOs at home and abroad are out to persuade the new South African government to reject the R300-billion debt it inherited from its predecessors. But the campaign, which is based on precedents of new governments in other parts of the world refusing to pay back loans borrowed by former dictators on grounds that they are "odious debts", is likely to leave the government caught between a rock and a hard place.

Morally, says African National Congress MP Rob Davies, the case made by the NGOs "is unassailable". But, he adds, "I would have to be persuaded that we stand a chance of sustaining a case in an international jurisdiction"; and that such a move would not cost the country even more by pushing up the price of future borrowing.

Over the past month:

■ The Cape Town-based Alternative Information and Development Centre (AIDC), with the support of the NGO Coalition and a number of individual NGOs, made a submission to the Truth and Reconciliation Commission demanding that it organise hearings on the financing of apartheid.

Pointing out that interest payments on debt in the current budget account for R39-billion — the second highest expenditure after education — the NGOs argued that writing off apartheid debt "is the most significant and meaningful step that could be made in making reparations to all victims of apartheid, and not only the minority who were able to make representations to the TRC."



Cancel debts: Executive director of the NGO Coalition, Kumi Naidoo PHOTO: MARGARET WALLER

■ Executive Director of the NGO Coalition Kumi Naidoo travelled to the United States and United Kingdom, partly to meet with former anti-apartheid groups, and seek their support in securing the cancellation of foreign debts, which account for R90-billion.

■ Letters have been written by the NGO Coalition to President Nelson Mandela and Finance Minister Trevor Manuel seeking support for the campaign, and requesting a detailed breakdown of South Africa's apartheid debt.

■ Endorsement for the campaign has been obtained from the Anglican and Catholic churches. The campaign is being linked to a global church campaign, called Jubilee 2000, which aims to secure the repudiation of all third world debts by the turn of the century.

■ The AIDC has put together — and will shortly disseminate — a booklet entitled *Challenging Apartheid's Foreign Debt*, explaining the principle of odious debt.

This principle, first employed by the US to repudiate Cuba's debt with Spain after its struggle for independence in 1923, was codified by a Russian lawyer living in France and has been invoked in a variety of cases.

Ironically, the most recent example of a government arguing the case of "odious debt" is Namibia's refusal to pay the R1,3-billion in loans borrowed by the former government there from South African commercial institutions, and guaranteed by the apartheid government. In agreeing to relieve Namibia of the debt, Davies concurs, the new South African government implicitly acknowledged the principle of odious debt.

"But in the case of Namibia we are the creditors. In our own case, we are the debtors." South Africa's foreign debt — about one-third of the total apartheid debt — is owed in up to five different countries. "If the doctrine is used, it is not clear in which legal jurisdiction" the case will be made, and "what chances there are that it will succeed," says Davies.

There is also the strong possibility, he adds, that by challenging repayment of the loans — which are owed to banks and not governments — South Africa could shoot itself in the foot by raising the cost of future borrowing. Because foreign debt is a small percentage of South Africa's export earnings, the country is not regarded as being "debt distressed" in international terms.

The bulk of apartheid domestic debt, according to a spokesperson for the Department of Finance, is owed to pension funds like Sanlam and Old Mutual. Refusal by the government to pay this, she says, will hurt ordinary citizens.

Much of the money borrowed, adds Old Mutual Chief economist David Mohr, "went into funding infrastructure". The effect of tampering with domestic debt, at a time when the government still has a substantial budget deficit to fund, would be to push up the price of future borrowing on the home front as well, he says.

Privately, NGOs recognise that domestic debt is a can of worms that might be better to leave closed — although they argue that even a renegotiation of the terms of the repayment of this debt could make a difference.

They remain optimistic however, that — particularly with renewed fervour among former anti-apartheid groups desperately searching for a new role for themselves — agreements could be reached for the repudiation of foreign debts, loaned by banks in flagrant disregard of international opinion at the time.

The NGO Coalition's Naidoo says, in embarking on the campaign, NGOs are aware of the complexities and "enormous amount of creative energy and resources that will be required to win".

However, he says, what could be gained — in the way of savings that could be ploughed into homes and schools, and awareness raising on crucial economic issues — make it a risk worth taking.

NGOs flex financial muscle

MtG 9-15/5/97 (297)

Colleen Lowe Morna

IN a bold response to the funding crisis facing its members, the Non-Governmental Organisation (NGO) Coalition has launched a series of money-saving and fundraising projects premised on the collective clout of NGOs.

"We need to stop saying we are in crisis and see the resource challenge as one demanding a creative response," says NGO executive director Kumi Naidoo. "NGOs are not simply drawers of easy money from the economy; but organisations with a collective stake in it."

Since the coalition set up offices early this year, it has been urging foreign donors not to desert NGOs and is advocating that all lottery resources go into the soon-to-be-created National Development Agency (NDA) — the mechanism through which government funding will be provided to NGOs in the future.

But Naidoo insists that the days of simply rattling the can and hoping for the best are over. He is advocating a radical mindshift: from resource dependence to flexing the collective financial muscle of the sector. Over the last four months, the coalition has:

● Negotiated bulk discounts with a number of services and suppliers commonly used by NGOs, such as Southern Suns Hotels; Avis and Levitts (car hire companies); Panasonic, Sharp, Gestener and Cannon (suppliers of office equipment) and Volkswagen.

Before these negotiations, notes Naidoo, NGOs "paid more for these services than corporate clients". In most cases, suppliers approached were willing to offer better deals to NGOs as part of their "social responsibility".

● Gone a long way towards establishing a unified pension/provident fund structured so that there is a volume discount on the administration fee; the return on the fund is higher than for individual NGOs; an improved range of services is provided; the fund is used to lever a housing loan system for NGO staff and provide a funeral benefit scheme. The possibility of an NGO unified medical aid scheme linked to the fund will also be explored.

● In partnership with the International Charities Aid Foundation in London, started establishing an investment fund that will guarantee higher returns than a high-interest bank account. Investments by NGOs will be any amount from R500 upwards, for as long as they want, with a minimum investment period of one month.

● Entered negotiations with a range of private sector fund managers on forming an investment company, to be based on offers of free equity and seed capital so that there is no risk to the coalition.

Naidoo says the idea is to "take advantage of the black economic empowerment discourse in the country which has so far mainly centred on individuals". NGOs would follow the example of trade unions in looking at "how economic empowerment can be extended to those still locked out".

A number of companies, he noted, had already indicated that they would offer the coalition a free slice of their equity in return for the public relations benefits and the access to communities that would be provided by having the coalition as a partner.

Other proactive measures taken by the coalition include:

● The development, with the Community Agency for Social Enquiry, of a manual on accessing government tenders called "How to Make the Best of a Bad System". The document will be used as an advocacy tool, as well as for practical workshops.

● Plans for a workplace-giving scheme, in which workers can "adopt" and pledge a portion of their salaries to the non-profit organisation each month, with companies asked to match the giving by workers ten times over.

● Advocating a revision of current tax laws, which only give tax breaks to individuals and corporations making donations to a narrow band of NGOs involved in "religious" and "educational" activities. It is hoped that this review of tax legislation will encourage greater corporate giving.

Welfare clamp saves R240-m (297)

JENNY VIALL
HEALTH REPORTER ARG 9/3/97

Removing 46 000 deceased beneficiaries from the social security system saved the Welfare Department an estimated R240,879-million last year.

In her budget speech to parliament yesterday, Welfare Minister Geraldine Fraser-Moleketi said amalgamation of 14 social grant systems into one had also identified about 26 000 duplicate identity numbers with a potential saving of R134,160-million this financial year.

In the Western Cape, 25 officials had been identified as being involved in fraud and corruption, 26 officials had been suspended in Gauteng and eight had appeared in court in the Northern Province, of whom three were dismissed. Ten cases of fraud were being investigated in the Northern Cape and 11 officials in the Free State had been suspended.

Ms Fraser-Moleketi also said 1 400 non-governmental organisations would get subsidies for services, facilities and development programmes amounting to R1,5-billion in 1997/98.

■ Social sector spending was 14 percent of gross domestic product.

EU launches new programme in SA

BD 13/5/97 (297)

Ingrid Salgado

THE European Union (EU) will launch an information technology programme in SA today, designed to support joint projects between European and SA business.

The introduction of the Esprit programme follows a recently concluded science and technology agreement between SA and the EU which was signed in Brussels.

Esprit comprises industrial research and development projects and technology take-up actions in a single programme, and aims to facilitate collaboration between users and suppliers to stimulate innovation. It offers collaborative research with universities and other institutes.

Functional within Europe since 1988, Esprit was introduced only recently to other regions, such as Japan, Australia and Eastern Europe. Negotiations to introduce Esprit into the US were in progress, European Commission industry department spokesman Erik Habers said yesterday.

The SA launch is due to take place at an EU-SA electronics business forum in Johannesburg, attended by about 40 European and 100 SA companies.

Habers said SA's large markets and advanced human capital resources ensured sufficient opportunities for European business to form partnerships with local companies. In turn, the programme would provide SA business with access to the European market.

The programme had been successful in drawing on the expertise of universities and research institutes to introduce new technologies into business — and hence aid global competitiveness and the growth of small, medium and microenterprises, he said.

A third of Esprit users were small businesses, whose participation was actively sought.

Another third comprised large companies and the remainder research organisations.

Habers said the EU provided funding for accepted European members using Esprit in joint research projects. SA companies that wished to participate would have to find sponsors. Although SA's trade and industry department had no regulations guiding such funding, it was possible a mechanism would be found.

Companies that have benefited from Esprit's collaboration initiatives include Daimler-Benz subsidiary AEG Electrocom, a supplier of postal sorting systems, plastic cards manufacturer Gemplus and the world's second-largest electricity producer, Enel.

NP blamed for Thor's chemical stockpile

Jacob Dlamini BD 14/5/97

CAPE TOWN — The National Party (NP) government had grossly mishandled the importation of hazardous material by allowing Thor Chemicals to import toxic mercury while failing to ensure that the company was adequately held accountable for its activities, a commission of inquiry has found.

The commission, set up to probe Thor's mercury recycling operations at its Cato Ridge plant in KwaZulu-Natal, said it had found that both the company and the previous government were to blame for the stockpiling of more than 3-million kilograms of toxic waste in the country.

In a report presented to Environmental Affairs Minister Pallo Jordan yesterday, the commission said Thor had exploited loopholes in SA's fragmented legislation to bring in toxic waste it could not handle.

The commission, chaired by academic Prof Dennis Davis, had uncovered evidence showing that government departments had failed to co-ordinate their activities to stop Thor's continued importation of waste material. Davis said the evidence had revealed a total absence of co-ordination between the departments responsible, as well as "inexplicable inefficiency and unexplained omission".

The commission recommended that the existing stockpile be treated in an environmentally friendly manner by incineration or roasting the waste.

Meanwhile, Jordan said the government had initiated a process designed to develop integrated pollution control policy which was nearing completion. Jordan said this would be followed by the development of a joint waste management strategy.

Josey Ballenger reports that the Environmental Justice Networking Forum, a network of 380 organisations, was outraged at the commission's recommendation that Thor Chemicals "burn millions of kilograms worth of imported toxic waste materials".

The forum's national co-ordinator Chris Albertyn said the standards set for further incineration of toxic wastes at Thor posed a potential risk to public health and the environment.

The forum questioned government's probing other options for the disposal of the foreign waste, which included burning and burying the materials.

See Page 7

Cosatu given 'green light' for strike

Renee Grawitzky BD 14/5/97

THE Congress of SA Trade Unions (Cosatu) was given the "green light" yesterday to go ahead with its 24-hour protest strike on June 2 after the National Economic, Development and Labour Council (Nedlac) had considered its notice to embark on such action.

The meeting was held in order to ensure Cosatu complied with section 77 1 (c) of the Labour Relations Act, which required that a matter giving rise to protest action had to be considered by Nedlac.

At the same time Cosatu formally announced its intention to approach the Labour Appeal Court for the right to appeal to the Constitutional Court on the court's interpretation of the right to engage in socioeconomic protest.

Cosatu general secretary Sam Shilowa said last night it was not the federation's intention to seek to overturn the Labour Appeal Court judgment handed down on Friday, but to appeal to the Constitutional Court on the interpretation of exercising the right to protest.

A majority decision of the Court held that Cosatu, in calling for protest action on May 12, had not compiled with section 77 1 (c) of the Labour Relations Act. Cosatu has rejected this position and yesterday reiterated its view that the matter had been endlessly considered since the release of the green paper on employment standards last year.

Two of the three judges presiding ruled that the matter had not been properly considered by Nedlac.

In compliance with this ruling, the overall labour, government and business convenors met in Nedlac yesterday where they considered Cosatu's notice of intention to protest on June 2. They agreed that the series of meetings held since last Monday had considered the issues giving rise to Cosatu's planned protest action. The parties acknowledged the differences remained unresolved.

Labour department director-general Sipho Pityana said yesterday's meeting was a properly constituted structure to consider Cosatu's notice of intention to embark on protest action on June 2, as well as to acknowledge that negotiations were taking place through structures created under the auspices of Nedlac. Even though the parties agreed the issues remained unresolved, extra effort would be put into trying to resolve the matters by June 2, with the overall conveners joining the negotiations. However, if differences could not be resolved, Cosatu had the right to proceed with the action.

Meanwhile, **Jacob Dlamini** reports from Cape Town that Cosatu warned yesterday it would withdraw from parliamentary consultations unless the budgetary process was reformed to allow for effective public participation.

Cosatu deputy president Connie September said there was little value in making submissions on budgets which could not be changed, or holding hearings and taking part in debates after the budget had already been set by government.

September told the parliamentary labour committee the constitution required a transformation of the "secretive, top-heavy" budget process inherited from the previous administration.

She called for reform to allow effective participation by civil organisations and to ensure Parliament and its committees played an overseeing role in determining expenditure and revenue priorities.

Cosatu's warning came in the wake of Finance Minister Trevor Manuel's announcement of plans to reform budgeting to make it an active exercise matching policy priorities to available resources.

Cosatu expressed concern over the decline in the labour budget from R657m to R620m. The reduction in the allocation to the human resource development programme would affect training offered to the unemployed and contradicted government's commitment to skills development economic growth and job creation.

Cosatu's concerns were echoed by the Afrikaanse Handelsinstituut, which said it had found it difficult to deal with the budget in detail as it had not been involved in its formulation.

New welfare paper wants fundraising policy shift for NPOs

(297)

David Greybe BD 14/5/97

CAPE TOWN — The welfare department released a policy document for NGOs arguing for a fundamental shift from the Fundraising Act, from government control and intervention to a climate of freedom and voluntary association with the emphasis on accountability.

The proposals would provide the basis for writing new legislation for the renamed "nonprofit organisations" (NPOs), to replace the Fundraising Act, welfare chief director: social development Graeme Bloch said yesterday.

The welfare department planned to present Cabinet with a draft bill next month, and to bring it before Parliament in September for final approval and adoption, he said.

The ministerial forum (Minmec) for Welfare Minister Geraldine Fraser-Moleketi and her provincial counterparts recently approved the policy document.

The new legislation would be administered in the form of a national register by the welfare department, "but with a clear supportive role by the provinces in the process".

The new system, the policy document states, would signal government support for NPOs and promote confidence in the nonprofit sector "by encouraging certain basic governance standards".

Bloch said: "It will create an environment in which NPOs can function more effectively with minimal government control and regulation, but with the necessary checks and balances."

Many NPOs had struggled to make the transition to a new environment of government-to-government aid routing, tighter donor funding and demands to quantify performance and delivery outcomes before competing for scare resources, he said.

This crisis led to the demise of many effective organisations which often delivered services to the most disadvantaged and those least able to afford services.

The new system would be based on a voluntary registration system requiring the submission of basic documents and the meeting of requirements promoting "accountability and good governance".

Registration, Bloch said, would be encouraged through a system of incentives. Failure to register would be to the detriment of NPOs.

There would be no restrictions on fundraising under the new legislation, and "fraudulent fundraising" would be dealt with under the normal provision of the law.

Three years have passed since the inception of the RDP. Two writers consider how it is faring today

(297) M+G 16-22/5/97 (BM)

Is the RDP mutating ...



Hein Marais

THE Reconstruction and Development Programme (RDP) debate has become a pantomime, a rehearsal of predictable affirmations and affectations, gripes and allegations.

Issuing from the government comes the cheery mantra that the RDP remains the cornerstone of all policy, even the growth, employment and redistribution (Gear) strategy programme. The left retaliates with doleful indictments of betrayal, as it catalogues the discrepancies between the RDP-in-practice and the grand promises of the base document, the first version of the programme drawn up by the African National Congress, the Communist Party and the Congress of South African Trade Unions.

Both sides can trundle out impressive evidence to buttress their claims. The government points to a slew of advances, from school feeding schemes to land-reform activities to the new labour regime.

Progressive critics invoke the desultory findings of a recent RDP audit commissioned by the RDP Council and are dismayed by the violations of the RDP Base Document.

But they all the miss the point. The RDP has been gradually and methodically metamorphosed into a programme that is neither the touchstone of, nor a mere sop to, the transformatory demands that brought the ANC to power.

It has mutated into something altogether different.

This process did not occur with the closure of the RDP office a year ago, nor was it suddenly effected by the elevation of a conservative macro-economic strategy to pre-eminence last winter.

The fate of the RDP has been consonant with government pronouncements and policies which have shown considerable consistency since 1994.

Commendable activities have been spawned and they will probably increase. But their overall effect is not to dismantle or weaken the structural causes of inequality. On the contrary, these inequalities are being reinforced by policies that predicate transformation on the prior servicing of the prerogatives of capital.

Gear consummated this approach, but its lineage extends back fuzzily even to pre-election economic policy outlines of the ANC.

It was manifest also in the RDP White Paper which bristled with thinly veiled injunctions that would later be elaborated in Gear.

Which is why, 30 months ago already, economists Vishnu Padayachee and Asghar Adelzadeh warned that "those welcoming the RDP White Paper will share a belief that policies involving any form or degree of effective state intervention are antithetical to economic growth".

"Sadly," they concluded, "it appears that there are far too many in this latter category inhabiting the corridors of state power in the new South Africa."

The RDP is alive, but in an incarnation few of its original architects could have anticipated. Rather than serving as a touchstone for, and engine of, transformation, its utility lies elsewhere — as a stabilising agent active in two, related realms.

● The first is ideological.

Inscribed in the RDP is the political-historical continuity between the Freedom Charter and the reality of an ANC government.

Its political resonance as a programme of mooted transformation prevents it from being discarded formally — despite the private derision of even some leading ANC figures.

Within the context of the national liberation struggle, the RDP signifies continuity. Within the transition, it signifies unity.

Indeed, it is within the nation-building project that the RDP's utility is manifest. Here it functions as an axis around which the principles of inclusion, conciliation and stability can be promoted in tangible form. Within its ambit, disparate interests are seen to become reconciled in a unifying "national endeavour".

In this discourse, the self-help activities of working class residents and the unbundling exercises of corporations share the same stage as expressions of a postulated "unity of purpose", of a new patriotism.

● The second realm is socio-political. As Latin American countries have discovered, a social development programme cannot be appended to (let alone integrated with) a macro-economic strategy characterised by privatisation, deregulation, fiscal austerity, trade liberalisation and the predominance of the financial sector over production and commerce.

Not only the programme's sweep, but its very character and logic is overwritten by the macro-economic context which, in our case, adheres to the contours of neo-liberal orthodoxy.

Adopting such policies might well be "inevitable" — as the voices of reason insist. But to claim that the RDP survives in this context as a programme of transformation is spurious.

As phrased by Mexican sociologist Carlos Villa: "Neo-liberalism considers the growth of poverty to be a pathology, not a consequence of the economic system."

The upshot is that the government "isolates poverty from the process of capital accumulation and economic development, and reduces the solution to designing specific social policies".

Anyone willing to probe beyond the sheen of official rhetoric will recognise the reconstructed RDP in Villa's formulation. As a patchwork of developmental activities, it now functions as a stabilising agent which (at best) contains poverty within an overall economic strategy that reproduces and fortifies social inequality.

Is it the best we can hope for? Surely not. But the search for alternatives will remain stunted and warbled as long as the left insists that a happier route remains imbedded somewhere in its holy grail, the RDP Base Document, awaiting only its excavation by those faithful to its vision. That RDP is dead. Another has arisen to take its place. Long live the RDP!

Journalist and researcher Hein Marais's book South Africa: The Political-Economy of Transformation will be published soon by UCT Press and Zed Books

Workshop on city's homeless sets up task force to find solutions

ARG 17/5/97 (297)

JERMAINE CRAIG
STAFF REPORTER

The issue of the homeless should be given a higher profile and an integrated policy needs to be drawn up to seriously tackle the problem.

This was the main thrust of a workshop in Bellville hosted by the Cape Metropolitan Council (CMC) and attended by representatives of all the city's metropolitan local councils.

A task team was set up that will liaise with provincial government to find a strategy to solve the problem of the homeless in the metropolitan area.

This task team will comprise of councillors and officials from each of the city's six local councils.

The workshop was initiated by the Deputy Mayor of the CMC, Isobel Edelstein, who was a member of the vagrancy committee of the Cape Town Municipality and has been closely associated with the plight of the homeless for many years.

Councillor Edelstein said the problem of the homeless was serious, and had not received enough attention at political level.

The CMC planned to change this and convened the workshop to begin the process.

"We do not have a database, we do not how big the problem is. Even people involved with the homeless do not know their exact number. We are planning to move the process forward and act on the problem," said Councillor Edelstein.

Some of the problems raised in the workshop were that there were not enough after-care centres and preschools for homeless children.

A preventative strategy was also needed to combat the problem, with social workers providing counselling, and working to get children off the streets.

R8-m trust for education heralds new era for unions

(297)

ARGUS CORRESPONDENT

ARG 20/5/97

Johannesburg – Trade unionism entered a new era yesterday with the launching of an R8-million education trust for the children of workers.

The trust founded by the South African Clothing and Textile Workers' Union (Sactwu) is regarded as the first real sign that organised labour is changing from agent of revolution to a vehicle for the transformation of workers' lives.

"We are trying to make sure that you (the children of workers) are better off than your parents," said Sactwu president Amon Ntuli.

An investment arm, Sactwu Investments, used R2-million collected from members and produced huge returns to be able to fund the education trust.

A surprise guest was Finance Minister Trevor Manuel, son of a textile worker, who recounted his own failure to obtain a bursary.

About R5-million will pay half the fees of 631 university students this year and assist 2 000 technikon and college students. The rest will buy school equipment.

Welfare unveils financing plans

(297) BD 21/5/97

THE Gauteng welfare department was committed to a new financing model to complement limited funds, including investments in community-owned business ventures, MEC Ignatius Jacobs said yesterday.

Speaking in the legislature debate on his department's R2,4bn budget, he said that the department was considering, among other things:

- Giving old-age homes and children's homes lump sums instead of monthly payments to provide them with capital for investments which would produce revenue;
- Establishing community-development funds to finance income-generating projects instead of giving grants or subsidies; and
- Providing disadvantaged communities with funds for business ventures, including franchises.

Jacobs said his department was channelling R3,2bn in pensions and grants to about 384 000 beneficiaries annually, including about 224 000 grants for the aged, 95 000 grants for the disabled, 40 000 children's grants, 11 500 parents' grants and 9 000 foster-care grants.

"However, a significant amount has been wasted through fraud by both the public and officials, poor data bases of beneficiaries, inefficient cash-payout systems, poor facilities and acts of criminality such as robberies."

Jacobs said a task team was investigating fraud and a syndicate had been uncovered. Data bases were being compared with those of the home affairs department, the Government Pension Fund, the Workmen's Compensation Fund and the Unemployment Insurance Fund to identify duplicate claims.

The province had awarded a tender for cash pension payments to ensure efficiency and security.

Welfare standing committee chairman Barbara Creecy, making her report, said the committee recommended the establishment of a national contributory pension system.

Democratic Party representative Brian Goodall said the unsustainability of welfare financing was not a problem unique to SA and he supported the recommendation of the committee.

He proposed the Chilean model, whereby workers paid at least 10% of their salaries into a personal account managed by private-sector fund administrators of their choice. Upon retirement, they benefited from the growth in their investments. — Sapa.

Govt development agency plans tabled

BD 21/5/97 (297)

Robyn Chalmers

GOVERNMENT outlined plans for its long-awaited National Development Agency yesterday and gave details on transforming the Independent Development Trust (IDT) into a government development implementing agency.

The move is expected to alleviate the funding crisis facing civil society organisations and help the reconstruction and development programme.

The IDT, established in 1990 with a R2bn grant, has played an integral role in urban and rural development.

Deputy Trade and Industry Minister Phumzile Mlambo-Ngcuka said the cabinet had recently adopted recommendations of the National Development Agency (NDA) advisory committee. These included that the NDA be a statutory body to co-ordinate consultation on policy formulation between government and civil society organisations and to channel government funds to these organisations, privatising those involved in programmes on implementing development policy.

It was also proposed that the Transitional National Development Trust — the temporary predecessor to the NDA — be integrated into the NDA and that the IDT's funding section be merged with the NDA. Mlambo-Ngcuka said the process had to be completed by July next year.

A legal team would investigate deregistration of the IDT and another team would look into its financial status to ascertain whether it could contribute seed capital to the NDA.

The IDT would review its programme profile and work out which elements would be part of the government development implementing agency and which would be taken over by the NDA.

An implementing task team had been set up to deal with these and other issues, chaired by Mlambo-Ngcuka with the assistance of Public Works Minister Jeff Radebe.

A meeting had been held with the trust where it was conservatively projected that the NDA would need R275m as seed capital.

Khula Enterprise Finance grants loans worth R36,7m

BD 23/5/97 (297)

Patrick Wadula

KHULA Enterprise Finance, the small business arm of the trade and industry department, had approved loans to seven nongovernmental organisations amounting to R36,7m since the company received its initial capital grant in October last year, Khula MD Sizwe Tati said.

The company received R137m from government and a further R3m would be received over a three-year period.

Tati said five of the nongovernmental organisations had received approval for additional seed loans amounting to R7,7m to be used for capacity building and systems improvement.

For the first six months to March, Khula's guarantee division had also approved 177 guarantees to the banking sector enabling 177 small businesses to access finance to a value of R47,8m.

Tati said funding applications took time to evaluate to ensure that the institutions concerned were potentially sustainable.

"In May alone, loans to the value of R36m are being reviewed and this could represent commitments of over 84% of initial capitalisation, although this year we received further funding," he said.

Khula recently signed a R12m contract with small business development organisation Get Ahead Foundation Financial Services to boost its lending capacity.

Tati said this would enable Get Ahead to expand its operation and make more loans available to microentrepreneurs as well as its infrastructure, including its management information systems.

Trust gears up on development policy

Robyn Chalmers

BD 26/5/97 (297)

THE Independent Development Trust (IDT) was forging a new role for itself which involved facilitating poor communities' access to government and foreign donor funds, CE Merlyn Mehl said yesterday.

Deputy Trade and Industry Minister Phumzile Mlambo-Ngcuka outlined plans this week for the IDT to be transformed into a government development agency to fast-track development policy.

Mehl said the IDT had already facilitated projects valued at R350m over a spread of projects including education, health care and water schemes.

He said the trust worked closely with the public works department in particular, but also dealt with a range of other national and provincial government departments. The IDT also initiated its own projects aimed at sustainable integrated developments.

The IDT was established in 1990 with a R2bn government grant, and Mehl said that as the trust's capital base was reduced, it found a facilitation role was crucial, particularly in terms of poor communities.

"In the seven years of existence, the IDT has established widespread mechanisms throughout the country to facilitate development. We no longer wish to hand out funds but rather help set up further mechanisms for poor and marginalised communities to access funds," he said.

Mlambo-Ngcuka also said the long-awaited National Development Agency (NDA) would open its doors to civil society organisations in July next year.

The agency would focus largely on co-ordinating funding for development. Mehl said the NDA would be a welcome addition to the development community as it was important to have a mechanism through which the state could engage civil society.

"The agency has a huge task ahead of it ... It will also be a challenge to align the priorities of government departments with those of nongovernmental organisations," he said.

Boesak's peace foundation is sequestrated

ARG 30/5/97 (297)

DENNIS CAVERNELIS
HIGH COURT REPORTER

Allan Boesak's Foundation for Peace and Justice has been provisionally sequestrated by the Cape High Court.

Mr Justice J Hlope granted the order yesterday to Boland Bank against the foundation's trustees, Dr Boesak, Jan de Waal and Pierre van der Heever.

Petrie Burger, the bank's credit control manager, said that the foundation had overdrawn its account and owed the bank R295 403, 35, plus interest.

Jan Kock van der Merwe, bank group credit control manager, said a sequestration order would be in creditors' interest.

■ Dr Boesak and the foundation's former bookkeeper, Freddie Steenkamp, will stand trial in August on 32 charges of theft and fraud involving nearly R9-million.

1999 elections, they want to maintain their constituencies in those provinces. This is an issue that is not being raised, but which has a bearing on the resolution of the dispute.

As far as the task teams are concerned, we want to commend the Minister for the fact that we are now finally moving to a situation where the legitimate border committee, elected by the people of Bushbuckridge, can engage with members of the department to find a solution to this dispute. We as the PAC want to tell the Minister that if there is anything that we can do to help find a solution to this dispute, we are ready to talk to him, because some members of our party are involved in the border committee. [Interjections.]

The MINISTER FOR PROVINCIAL AFFAIRS AND CONSTITUTIONAL DEVELOPMENT: Mr Chairperson, I would like to thank the hon De Lille for the constructive manner in which she is approaching this matter. I think it is a matter in which all political parties should certainly show an interest.

Before I go into dealing with some of the matters which she has raised, may I just say that for the past three years this Government, and also the majority party, has attempted to do everything in its power to resolve numerous border disputes in different parts of the country without any success whatsoever. This is an extremely vexed problem.

At the end of the day we have decided to take the approach of, rather than promoting a change in the boundaries, asking the question: What are the actual real material problems that people may want to have addressed when they ask for a boundary change? What are the root causes?

That is the question we had to ask in the boundary dispute between KwaZulu-Natal and the Eastern Cape, when the Trengove Commission's recommendations were completely unimplementable as a result of the two legislatures differing on those recommendations. We were able to get an agreement on the part of both provinces that that boundary dispute should be put on ice and that, in the meantime, the two provinces would co-operate in such a manner as to facilitate good administration and good governance in that area. We think that this is a possible way for us to look for a solution to some of the other problems.

I held a meeting with the Bushbuckridge border committee on Friday last week, and the President also had one with them yesterday afternoon. In our discussions, we were able to agree with the committee . . . [Time expired.]

Mrs P DE LILLE: Chairperson, the developments in Bushbuckridge have now truly degenerated into a national crisis. As the PAC said yesterday, it is unacceptable for our children to stay out of school, even for one day, at a time in our country when we are at pains to re-establish and engender a positive culture of education. Also, at a time when the economy and, in particular, jobs are trying to come out of a deep hole, it is unacceptable that, by our own delays, the economy in Bushbuckridge is being weakened by absences from work, sabotage, arson, and the wanton destruction of property. We must condemn the destruction of property in the strongest terms possible.

Addressing the problems there, as a matter of urgency, will stop the violence and disruption of normal life in Bushbuckridge. But the fact of the matter is that the broken promises by politicians are a bad reflection on the integrity and honesty of our Government. This is just one of the many promises made and not fulfilled by the Government.

The MINISTER FOR PROVINCIAL AFFAIRS AND CONSTITUTIONAL DEVELOPMENT: Chairperson, the hon member is less than correct when she refers to broken promises in that manner. Nobody can deny that the Government, the Deputy President and I personally, as well as the majority party for that matter, have tried everything in our power, over the past three years, to address this problem. This has involved a great deal of time and energy and numerous meetings which all of us have been involved in.

I do not think it is correct to simply say, willy-nilly, that there have been broken promises. The Cabinet even went as far as tabling a constitutional amendment Bill with the portfolio committee last year, in an attempt to change the boundary. But that is behind us. What I would like to do is to join the hon De Lille in condemning the destruction of property in the area and the illegal action that has been taken.

I am quite happy to report to Parliament this afternoon that a joint task team has been established

between the Bushbuckridge border committee and my department, after an agreement reached by all sides that it is more than possible to arrive at a solution acceptable to everybody through a process of discussion. That task team is at work already this week, and I am more than certain that this will lead to a cessation of some of the activities that have been taking place in the area, and that we will be able to find an equitable solution to this problem.

What we really need to do is to ask ourselves: What is it that needs to be done in order to uplift the conditions of people in Bushbuckridge? We also need to be honest about the fact that, at the end of the day, provincial boundaries really do not matter all that much.

Debate concluded.

QUESTIONS

†Indicates translated version.

For oral reply:

President of the Republic:

Question standing over from Wednesday, 4 June 1997:

Cabinet Ministers: gifts kept as personal property

*2. Mr J A JORDAAN asked the President of the Republic:

(1) Whether Cabinet Ministers are permitted to keep and use as personal property gifts given to them in their official capacity as Ministers (a) while in office and (b) once they cease to be Ministers; if not, ewhat is the policy in thisregard; if so,

(2) whether they are required to pay tax on the value of the gifts they keep; if not, why not; if so, what are the relevant details;

(3) whether he intends changing the policy in respect of such gifts; if not, what is the position in this regard; if so, what changes does he intend making? N1237E

The EXECUTIVE DEPUTY PRESIDENT (for the President of the Republic):

(1) (a) and (b) Yes

(2) No. As gifts normally encompass the gratuitous disposal of property, they are not related to services rendered and therefore not regarded as income for tax purposes.

(3) No. In terms of the Code of Conduct applicable to Ministers, only small gifts may be accepted, provided that Ministers have satisfied themselves that the gifts are not being presented to influence them in any improper manner. Ministers shall register any gift received which in their estimate exceeds the value of R350. At their discretion, Ministers may use gifts received for motivational purposes in their respective Departments. Gifts that are seen to be of a tradition/customary nature, need not be registered. The parliamentary Code Of Conduct in regard to Financial Interests provides for gifts and hospitality to be disclosed by its members and that includes Cabinet Ministers who are bound in similar terms.

Executive Deputy President:

Question standing over from Wednesday, 21 May 1997 (transferred for oral reply in terms of Rule 202):

*1. Mr N J J VAN R KOORNHOF – Executive Deputy President. [Written Question No 164] [Withdrawn.]

New questions:

Registered NGOs collapsing

*1. Dr M S MOGOBA asked the Executive Deputy President:

(1) Whether any registered nongovernmental organisations have collapsed since 1994; if so, how many;

(2) (a) what are the prospects of the National Development Agency (NDA) being fully established and (b) how will the NDA co-ordinate and monitor development? N1347E

The EXECUTIVE DEPUTY PRESIDENT:

(1) Nongovernmental organisations (NGOs) in South Africa are not required to register with any Government entity. Only those non-governmental organisations which seek a fund-

raising number apply to the Government for such a number.

Nongovernmental organisations which close down do not, therefore, necessarily report this fact to the Government. It is therefore impossible to state whether any non-governmental organisations have collapsed since 1994.

The Nongovernmental organisation (NGO) sector has undergone much change since 1994. Some organisations have adjusted to the post-apartheid era, others have not. As a result, Cabinet took a decision to establish the Transitional National Development Trust (TNDT), which was announced in October 1995 as a transitional mechanism to provide emergency assistance to civil society organisations (CSOs) whose services were still critical in the new dispensation. By November 1996, the TNDT had received 1 445 requests for a total amount of R1,5 billion. The actual funds available to the TNDT represented only 8% of that amount. By early 1997, 728 requests had been approved by the TNDT.

In addition the Government established an advisory committee to look into the long-term and ongoing relationship between Government and the civil society organisations (CSOs).

That advisory committee which was chaired by Deputy Minister of Trade and Industry Ms Phumzile Mlambo-Ngcuka and included representatives from Government, (NGOs), community-based organisations (CBOs) and Nedlac constituencies, has recommended the establishment of the National Development Agency (NDA). The National Development Agency (NDA) will be a long-term response by Government to the financial problems of the civil society organisations (CSOs).

(2)(a) The Cabinet has accepted the recommendations of the Advisory Committee on the National Development Agency (NDA) to establish the NDA. Therefore it will be established.

The National Development Agency (NDA) will in the main address two aspects *viz:*

(i) a degree of financial support to civil society organisations (CSOs)

(ii) co-ordinating development policy consultations between Government and civil society organisations (CSOs).

Furthermore the advisory committee recommended the rationalising of the Independent Development Trust (IDT), which will result in the transfer of the funding functions of the IDT to the NDA. The programme implementation capacity of the IDT will provide development implementation capacity to Government by transforming the IDT into a Government development implementation agency.

(b) The recommendations of the Advisory Committee on the NDA are that the National Development Agency should, primarily, be a funding body. It will also co-ordinate policy consultation between Government and civil society organisations. It will not itself co-ordinate and monitor development, but will work through other organisations.

The NGOs that will receive support from NDA will have to account to the NDA governing body for the funds they receive. The NDA governing body will further put in place systems such as field visits and periodical reports as mechanisms for monitoring. The NDA will be accountable to Government through Parliament.

2. Ms N C ROUTLEDGE - Executive Deputy President. [Transferred - see Question No *41.]

Ministers:

Questions standing over from Wednesday, 4 June 1997:

Rapes/sexual harassment by police officers

*1. Ms S C VOS asked the Minister for Safety and Security:

(1) Whether, with reference to his reply to paragraphs (1)(a)(i) and (ii) of Question No 134 on 24 March 1997, the issue of rapes committed by and sexual harassment by police officers is the subject of a specific investigation and/or is contained in policies and programmes of the South African Police Service; if not, why not; if so, what are the relevant details;

(2) whether, with reference to his reply to paragraphs (1)(b)(i)and (ii), he will furnish details concerning the nature of the eight convictions that were obtained and the three disciplinary procedures that were instituted as a result of the complaints that had been lodged and/or charges that had been laid in this regard; if not, why not; if so, what are the relevant details;

(3) whether any or all of those officers charged and/or disciplined are currently in the employ of the SAPS; if not, what is the position in this regard; if so, what are the relevant details? N1114E

The MINISTER FOR SAFETY AND SECURITY: Madam Speaker, the answer to this question is quite long. I therefore propose to table it, and I am happy to report that as far as this proposal is concerned, I have the concurrence of the hon Ms Suzanne Vos.

(Reply laid upon table with leave of House.)

(1) Yes. Complaints of rape lodged against members are investigated as criminal cases and referred to the Attorney-General who must decide on the issue.

A policy on sexual harassment has been compiled and is presently being finally negotiated with the unions in the National Bargaining Chamber. The Disciplinary Regulations of the South African Police Service which came into operation on 1997-01-01, also now specifically provide that sexual harassment constitutes misconduct. The National Commissioner has also instructed that sexual harassment must be dealt with as serious misconduct.

(2) Charges laid – 119
Convictions – 8
Disciplinary Proceedings – 3

(3) Charges laid

– Two members charged with rape.
(Trial dates 1997-06-10 and 1997-07-09. Both members not suspended. Departmental steps have not yet been taken as the result of the criminal proceedings are being awaited.)

– One member charged with rape and found not guilty.
(Disciplinary proceedings outstanding - Departmental trial not yet finalised. The member has not been suspended.)

– Twenty-five members charged with rape and Attorney-General declined to prosecute.
(Disciplinary proceedings outstanding - Departmental trial not yet finalized. Members have not been suspended.)

– One member charged with rape. Public Prosecutor declined to prosecute.
(No disciplinary steps were taken due to lack of *prima facie* evidence. Member has not been suspended.)

– Twelve members charged with rape. Attorney-General's decision outstanding.
(No disciplinary steps yet. The members have not been suspended.)

– Three members accused of rape. Charged pending. Forensic reports outstanding.
(No disciplinary steps taken as yet. The members have not been suspended.)

– One member charged with rape, Trial date 1997-08-11.
(No disciplinary steps have been taken pending criminal trial. Member has not been suspended.)

– One member has been convicted of rape.
(Member was dismissed after being sentenced to four years imprisonment.)

– Seven members have been charged and the Attorney-General has decided to prosecute. Criminal trial date outstanding.
(No disciplinary steps as yet. Outcome of criminal proceedings awaited. Members have not been suspended.)

– Two members charged with rape. Cases

(1) Whether he or his Office has any statistics on the loss of income suffered by his Office as a result of corruption; if so, (a) how many cases of corruption were reported during the latest specified period of 12 months for which information is available and (b) what was the total loss of income suffered by his Office during that period;

(2) whether he or his Office is contemplating taking any steps to combat corruption; if not, why not; if so, what steps;

(3) whether he will make a statement on the matter? N647E

The EXECUTIVE DEPUTY PRESIDENT:

No.

Education: function in front of Parliament

413. Mr T D LEE asked the Minister of Education:†

(1) Whether he was consulted in respect of the planning and organising of the function held in front of Parliament on Monday, 24 March 1997; if not, why not; if so, (a) what was his reaction thereto, (b) who was responsible for planning and organising the function, (c) what was the total cost of the function, (d) what (i) organisations and (ii) individuals were invited to attend the function, (e) how many guests (i) were expected and (ii) arrived and (f) what was the (i) nature, (ii) duration and (iii) cost related to each item of the function;

(2) whether Members of Parliament were invited to attend the function; if not, why not; if so, what were the criteria on the basis of which it was decided who (a) would be and (b) would not be invited? N666E

The MINISTER OF EDUCATION:

(1)(a) Yes. The decision to hold the launch on the 24 March 1997 was taken in consultation with the Minister and his Provincial Colleagues to enable the launch to coincide with the Council of Education Ministers (CEM) meeting. The need for a launch and to host it in Cape Town was supported by the Minister and his Provincial Colleagues.

(b) The Department of Education.

(c) R65 188,15

Please note that the travel and stayover costs of Department of Education officials are not included.

(d)(i) and (ii) Organisations and individuals from the following sectors were invited:

- Minister and Deputy Minister of Education
- Provincial Education MECs
- Provincial Heads of Education Departments
- Provincial Directors: Curriculum Development
- National Department of Education – Directors, Chief
- Directors, Deputy Director-Generals and Acting Director-General
- Teachers organisations – SADTU and NAPTOSA
- National Curriculum Development Committee
- Representatives from all foreign Embassies and High Commissions
- Representatives from World Bank, UNESCO, British Council, USAID, Ford Foundation
- Other National Departments – Departments of Labour, Arts; Culture; Science and Technology, Correctional Services, Health, Welfare
- Student Organisations - SASCO, PASO, COSAS
- Business South Africa
- COSATU
- Committee of University Principles
- Committee of Technikon Principles
- CCERSA
- Examination body – IEB
- Education research institutes/centres – EPUs (University of Natal, Western Cape, Wits) Centre for Education Policy Development, HSRC, FRD
- National NGO Coalition
- Members of the Curriculum Technical Committee

(e)(i) and (ii) Approximately 180 guests were expected. Of these, approximately 150 attended.

(f)(i) and (ii) The launch programme consisted of various cultural (singing, dancing), a speech by the Minister of Education, the handing over of the Curriculum 2005 Technical Committee Report to the Minister, the release of balloons to symbolise the launch of the new curriculum, the writing of messages of support on a wall hanging by the Minister, Deputy Minister, the Provincial Education MECs, and other guests, the handing over of certificates to the school students that attended. The public launch ended with the Minister addressing a media conference while the invited guests were offered cocktails. Further addresses were made by the Deputy Minister and Department of Education Officials during the cocktail function. The launch took place from 3 pm to 7 pm on Monday, 24 March 1997.

(iii) The cost breakdown of the launch is as follows:

– launch co-ordination	R19 667,04
– artists fees	R15 480,04
– media (folders, banners, etc.)	R17 538,00
– cocktail function	R12 503,07
Total	R65 188,15

(2) Yes. Members of the Portfolio Committee on Education were invited, although the invitations were late. The Chairperson of the launch publicly apologised for the late invitation.

Projects funded by Independent Development Trust (297)

437. Mr M J ELLIS asked the Minister of Finance:

(1) (a)(i) How many projects were funded by the Independent Development Trust during the latest specified period of five years for which information is available, (ii) what was the total value of these projects and (iii) how many applications for funding were received in each year during the latest specified period of five years for which information is available, (b)(i) how many persons are currently employed by the IDT and (ii) what is the (aa) name and (bb) salary of (aaa) the chairperson, (bbb) the managing director and (ccc) each of the managers of the IDT and (c)(i) where are the premises located from which the IDT operates and (ii) what is the market value of these premises;

(2) whether the property is owned by the IDT; if not, (a) what is the rental and (b) what specified monthly and/or annual costs are incurred in maintaining the premises? N717E

The MINISTER OF FINANCE:

(1)(a)(i) and (ii) See Projects Schedule attached as Annexure 1.

(iii) In the initial stages of the life of the Trust, it was bombarded by extremely diverse applications. Until the organisation evolved developmentally sound means of project selection, the rate of rejection was very high. Probably no more than 1 in 10 applications succeeded.

It is important to bear in mind that by virtue of the fact that the IDT has always controlled resources that were limited, relative to the scale of socio-economic problems of the country, it has been compelled to establish mechanisms which enable it to focus its efforts, thereby maximising its impact.

In this regard the primary mechanism employed was that of a programmatic approach to funding.

This entails the development, in consultation with a variety of experts in a particular field, of a specific programme, within a sector. An example of this would be that of the Clinic Building programme within the Health sector.

Within that programme micro-policies are developed which enhanced the developmental impact of the funds being applied.

Funding applications are then solicited only within the parameters of the defined programmes.

Because applicant communities are both made aware of the detailed micro-policies, and also because, in many instances approaches are actually initiated by our own professionals, the acceptance rate of applications within these programmes is very high. By this we mean anything between 80% and 100%.

(1)(b)(i) The total number of persons currently employed at the IDT is 258.

(1)(b)(ii)(aa), (bb) and (aaa) Dr M A Ramphele, Vice-Chancellor of UCT, is the IDT's current Chairperson. She is a Non-Executive and her annual remuneration amounting to R204 000 is paid to the UCT Research Fund;

of the Choice on Termination of Pregnancy Act, 1996 (Act No. 92 of 1996), up to the latest specified date for which information is available and (b) what is the average age of the women whose pregnancy was so terminated;

(2) whether she or her Department is envisaging any action against physicians who refuse to perform abortions; if not, what is the position in this regard; if so, what are the relevant details? C56E

The MINISTER OF HEALTH:

(1)(a) The information requested cannot be released because we do not think it fair to release information about each individual hospital. However, the total number of terminations till the end of April is 5 242.

(b) Under and up to 18 years: 1 468
Above 18 years: 3 774
Total: 5 242

(2) No.

Doctors/pharmacists/nursing staff/dentists/psychologists registered

*2. Mr R J MOKOTJO asked the Minister of Health:† [Written Question No. 51]

How many (a) doctors, (b) pharmacists, (c) nursing staff, (d) dentists and (e) psychologists were registered with the Interim South African Medical and Dental Council as at 31 January 1997? C57E

The MINISTER OF HEALTH:

(a) 28 381

(b) The Interim South African Medical and Dental Council does not register pharmacists, so the answer is 0*

(c) The Interim South African Medical and Dental Council does not register nurses, so the answer is 0**

(d) 4 235

(e) 4 050

Provinces: shortage of social workers

*3. Mr R J MOKOTJO asked the Minister for Welfare and Population Development:† [Written Question No. 79]

(1) Whether there is a shortage of social workers in any province; if so, what is the extent of the shortage in each province;

(2) whether steps have been or are to be taken in this regard with a view to eliminate this shortage; if not, why not; if so, what steps;

(3) (a) what is the average salary in each category currently being paid to social workers in the service of the State and (b) when last were such workers' salary structures reviewed? C83E

The MINISTER FOR WELFARE AND POPULATION DEVELOPMENT:

(1) In view of the absence of reliable data and the fact that the Department is in the process of developing a new welfare financing strategy, it would be impossible to determine a shortage of social workers in provinces at this point in time. Social workers in the provinces comprise not only those in State service. The projected figure for the Northern Province for 1994 was one social worker to 20 000 people.

(2) The new welfare financing strategy will determine minimum norms and standards for service delivery and personnel, including social workers, needed to implement the envisaged welfare programmes. In view of these developments this question cannot be answered at this stage.

(3) (a) The average salary per rank for social workers in the service of the State is as follows:

– Social Worker	R 43 344
– Chief Social Workers	R53 487
– Assistant Director	R83 949
– Deputy Director	R123 386

(b) The salaries of social workers have been reviewed in July 1996 as part of the personnel structure of the Government.

Mr W F MNISI: Chairperson, arising out of the hon the Minister's reply, seeing that we are experiencing a shortage of social workers in South Africa, is the department in the process of training so-called community workers to assist with problems?

The MINISTER FOR WELFARE AND POPULATION DEVELOPMENT:

Chairperson, this is indeed a new question, and since the hon Mr Mnisi and I have a special relationship, I would appreciate it . . . [Laughter.] - I was talking about our relationship as Minister and member of the NCOP. I would appreciate it if he would put the question in writing.

However, I can just say that auxiliary workers are currently being trained and there are also development workers that are involved in community development work.

However, as I have indicated, we would like to respond in a more holistic manner to this question, because it deals with the human resources component required for welfare and welfare services.

The CHAIRPERSON OF THE NCOP: Order! The Minister does not appear to be here. Mr Makgothi, what is the position? If there has been no communication from the office of any Minister who is supposed to answer questions, I must insist that we get in touch with that Minister's office and get a response. It is a provision that questions must be answered.

The MINISTER FOR WELFARE AND POPULATION DEVELOPMENT: Mr Chairperson, I am sorry, I am actually the acting Minister for Posts, Telecommunications and Broadcasting. Because of all the bantering in the House, I was thrown off course. It seems as though Premier Kriel feels a bit envious that I might want to be an eleventh wife to one of the NCOP members, and not second wife to him! [Laughter.]

With reference to the question, I would just like to ask that this question be allowed to stand over.

The CHAIRPERSON OF THE NCOP: Order! This question will then stand over.

Mr A E VAN NIEKERK: Mr Chairperson, this question was a written question that was not answered. It stood over, according to the Rules, to be answered today. I just want to bring that to your attention. This situation is unsatisfactory.

The MINISTER FOR WELFARE AND POPULATION DEVELOPMENT: Mr Chairperson, the point is taken.

The CHAIRPERSON OF THE NCOP: Order! Other than bringing that situation to my attention, does the hon member have any suggestion to make with regard to this matter?

Mr A E VAN NIEKERK: Mr Chairperson, I do have a suggestion. It would be appreciated, if the answer to the question could be tabled before the winter recess.

The CHAIRPERSON OF THE NCOP: Order! May we be honoured with a written response before the recess, please?

The MINISTER FOR WELFARE AND POPULATION DEVELOPMENT: Mr Chairperson, I will definitely facilitate that.

The CHAIRPERSON OF THE NCOP: Order! It is the only reasonable thing to do.

[*Question replied to as Question No. 84 on 17 June 1997.*]

Provincial/academic hospitals: bed occupancy rate

*5. Mr R J MOKOTJO asked the Minister of Health:† [Written Question No. 96]

(1) What was the average bed occupancy rate in each specified (a) provincial and (b) academic hospital under the control of her Department in (i) the Free State, (ii) the Western Cape and (iii) the Northern Cape during the period 1 March 1996 to 1 March 1997;

(2) whether the bed occupancy rate in respect of any of these hospitals does not correspond with the capacity of such hospitals; if so, why, in each case? C101E

The MINISTER OF HEALTH:

The National Department of Health does not control any hospitals; at the moment they are all controlled by the Provincial Governments. The information should come from the Provinces and I urge the member to table the question in the appropriate Provincial legislatures.

Cuban doctor: contract terminated

*6. Mr R J MOKOTJO asked the Minister of Health:† [Written Question No. 97]

(1) Whether the contract of a certain Cuban doctor in the Northern Province was

New law on the cards to help NGOs work

(297) CP 16/97

SOUTH Africa and its estimated 54 000 non-governmental organisations (NGOs) still lack an organised approach to the problem of poverty, says a report by an independent advisory committee set up by the government last year.

The report says the transition from apartheid and inadequate management skills in government have meant the large sums of money initially set aside for the Reconstruction and Development Programme have remained unused.

"In spite of broad support for the programme, there is no co-ordinated approach to tackling poverty. Government has been able to attract aid and has not found it easy to use such large funding owing to processes of change management and the processes of setting up local government infrastructures," the report states.

In 1994, the new government inherited a huge NGO sector involved in development work throughout South Africa. These organs of civil society sought to work through the reconstruction programme but were often frustrated by a lack of clear policy and no means of working with the government.

A number of NGOs are also struggling as donors divert money to initiatives of the government's reconstruction programme office. "Indications are that this pattern is likely to continue as erstwhile traditional international aid donors prefer bilateral funding arrangements with government," says Simon Sepokotele, whose organisation collapsed last month due to poor funding.

"The shift in donor attitude led many NGOs to push the government to define its relationship with the community. We have been working with the community since 1983. It is difficult to imagine that we can simply vanish off the development map of South Africa,' he says.

The Mbeki committee examined essential linkages for appropriate and functional relationships to speed up project implementation, donor funding and general co-operation.

"There is broad and significant support for a positive structural relationship and a co-ordinated funding mechanism between civil society and government to promote the objectives and principles of the reconstruction plan," says a spokesperson of the South African NGO coalition.

"The government must, however, enhance its own capacity to fast-track delivery. But civil society organisations that perform specialised functions for particular government departments must continue to get support."

The coalition believes in a strong civil society to sustain democracy through the involvement of ordinary people in national developmental affairs. "Owing to their affinity, empathy and proximity to the broader populace, NGOs have always proved to be effective in meeting the basic needs of the population they serve," it says.

The committee recommended that the government continues to support NGOs. "Assistance should be offered to enable local government, in particular those who are located in the most disadvantaged communities, to work with local NGOs to provide the essential services."

Meanwhile, the government plans to loosen its grip on the activities of NGOs. Legislation designed to let civil society function effectively with minimum state control is being developed. The new legislation will also provide for positive incentives for registration and easy access to previously excluded organisations, say NGOs.

"We have been assured that the Department of Welfare will also lobby for tax concessions, more co-ordinated government policy and facilitate capacity-building and support. The new legislation will provide checks and balances within which these organisations will function and also protect the public," says Monica Mbele, programme director of Sweat, a women's right advocacy group.

A Technical Reference Committee has been appointed to oversee the initial drafting process of the new legislation. The government directorate of NGOs says it is concerned about accountability within the sector. The new law aims to achieve that. – AIA

Residents act on homeless siege

Vagrants flow into the city

ARG 7/6/97 (297)

TWEET GAINSBOROUGH-WARING
STAFF REPORTER

Vagrants have turned a Wynberg neighbourhood into a "no-go" area, with residents saying they have become virtual prisoners behind locked doors to avoid abuse by homeless people.

Residents have been galvanised into action after a recent incident in which a drunk semi-clad woman threw bricks through the windows of houses.

But city officials investigating the incident say Wynberg's problem is the tip of the iceberg.

They say that after dark in the city centre, many doorways and alcoves become temporary homes for the increasing numbers of homeless in the city.

The Grand Parade has been identified as a problem area and a number of homeless people also seek shelter in a "cardboard city" under the arches of the Foreshore freeway.

A Cape Town municipal spokesman said the number of homeless in the city at night ran into hundreds and welfare organisations were swamped.

Wynberg resident Clive Pridham said about 20 vagrants frequented a vacant council-owned plot in Fleming Road.

The situation was so bad there that nearby residents were reluctant to use their gardens or balconies because of raucous behaviour by people who were often drunk, fought and used abusive language.

'It had become impossible to open windows without being swamped by flies'

His wife Janet said it had become impossible to open windows without being swamped by flies attracted to the site by human excrement and urine.

"The situation is a health hazard and we are constantly subjected to flies and the smell of urine," she said.

Mr Pridham said nothing had been done by the authorities since he had moved to the house 18 months ago. Other residents said the situation had existed for years.

Nearby residents said the site had become a venue for illegal liquor sales on Friday afternoons, when a man in a bakkie would park on the vacant plot about 4pm.

Mrs Pridham said she had seen the bakkie arrive with what appeared to be a load of manure under which liquor was concealed. She said the police did confiscate the liquor on one occasion but the situation had continued.

Her husband said he had called the police many times in the past 18 months to complain about noise and harassment.

A spokesman for the city planners department said the situation was under investigation, as complaints had come from residents of Fleming Road.

"Our inspectors have been to the site, which is council-owned, and have found no one there," he said.

After a meeting between residents, authorities including the council, neighbourhood watch and local city councillor John Mathee, a recommendation is to be made for the site to be fully fenced.

"This is only a short-term solution," said Mr Mathee, "as the South Peninsula municipality has appointed a task team to draw up a policy on vagrancy in the area."

Mr Mathee said there were 450 vagrants in the area at the last count and that an overall solution was being sought.

Other residents of Fleming Road said the problem of vagrancy in the area was not new and that it had been going on for years,

Rising unemployment and lack of housing has served to make the situation worse, especially when combined with alcohol and drug abuse.



OBED ZILWA

Homeless: a vagrant lies asleep in a trolley outside St Mary's cathedral in Cape Town

the end of the year.

Call to combat violence against women

BD 9/6/97 (297)

David Greybe

CAPE TOWN — A number of parliamentary committees expressed concern on Friday at government's slow progress in putting together a co-ordinated programme to combat violence against women.

MPs said they were not so sure about Deputy Justice Minister Mantombazana Tshabalala-Msimang's assertion that violence against women and children was considered a "priority crime" under the National Crime Prevention Strategy.

Justice committee chairman Johnny de Lange said MPs were left with a feeling that "not enough is being done about a national co-ordinated campaign regarding violence against women and children" following a National Crime Prevention Strategy briefing earlier in the week.

The justice committee of the National Council of Provinces and the status of women committee also attended Friday's public hearing, the first, on violence against women.

Status of Women chairman Pregs Govender told Tshabalala-Msimang that "contrary to what you said" it appeared from the briefing that "there is no integrated violence-against-women programme".

Tshabalala-Msimang expressed "surprise" that the briefing "did not give a co-ordinated response" on the matter. She said her department had "worked consistently" with the relevant departments — welfare, safety and security, health and correctional services, and emphasised: "Violence against women has now been prioritised."

Funding shortage

Tshabala-Msimang conceded there were problems over a lack of funding for the envisaged programme, but assured the committees it was "early days still" and her department was working on the speedy implementation of the programme.

De Lange said the purpose of the public hearing was to begin to seek a co-ordinated approach to violence against women.

To date this process had unfortunately been "very ad hoc — not a very coherent strategy".

The next stage of the process would involve the holding of "detailed hearings" over two or three days around the end of August.

ted

Sisulu and
Thloloe are

Provinces want greater guidance from Government on RDP

(297) Star

By Michael Blake

On May 26 each province was called by the RDP national parliamentary standing committee to report on relations between national and provincial government on the Reconstruction and Development Programme and the progress made on projects.

Reports varied in content and detail, prompting an appeal for a standard format. The last occasion all the provinces came together this way was in April last year at a conference hosted by the national standing committee.

Many provincial representatives complained that since the last conference there had been little or no communication from the national standing committee, and no report came out of the conference. There was a suggestion that a greater degree of guidance should come from the national standing committee on the implementation of the RDP.

While not disagreeing with this point, the committee's chairman, Max Sisulu, said that in many respects the provinces were in a better position to decide on the appropriate course of action in their domain.

The sudden closure of the RDP office in March last year had caused problems for most provinces. It had resulted in a widely held perception that the RDP no longer existed. A political and institutional framework for the RDP was lacking. A national RDP focus and co-ordination were still required to guarantee the realisation of a genuinely integrated programme.

In some cases, the stated aim of closure – to ensure greater commitment on the part of line function departments to budgetary reprioritisation – had the opposite effect.

Things were also made worse by the new funding arrangement that coincided with the closure of the national office. Numerous reports urged the reinstitution of the discretionary RDP fund.

Many of the reports were delivered in an upbeat, positive manner, highlighting material progress made in meeting the basic needs of people in the provinces. People had high expectations and the pressure for delivery was great.

Substantial progress had been made on the Presidential Lead Projects (PLPs). They had resulted in improvements to the position of the neediest. However, one criticism was that they lacked an integrated policy framework and had proceeded from a general vision to actual implementation.

There were serious backlogs and inadequate progress in a number of sectors. Housing and education were singled out.

There was substantial administrative restructuring to improve delivery. Many provinces reported that special efforts were made in the establishment of RDP forums or committees, including the provision of funds and training.

Among the key areas on which the provinces focused were:

- Partnerships with the private sector on specific projects;
- Traditional leaders, who were obstructing progress by encroaching on the political domain, especially that of elected local councillors;
- Policies and special measures that were needed to improve the lives of rural people, women and the disabled; and
- Regular meetings among provinces relatively close to one another to compare experiences.

10/6/97

Because two sessions have been collapsed into one, since the Free State was unable to attend the second session, there was not enough time for proper discussion and planning. Everyone agreed meetings of this sort were extremely useful and Sisulu promised a follow-up meeting soon.

By calling provincial RDP committees to account for their RDP oversight functions to date, the national RDP standing committee has emphasised a continued commitment to the programme, particularly by undertaking to improve links with provincial RDP committees.

Such a commitment will ensure that the national committee, together with provincial committees, whatever their difficulties, will continue to be a force in the RDP stakes.

This means ensuring that existing projects in the provinces are followed through, and taking a lead in policy shifts aimed at the RDP reaching the most remote, disadvantaged people.

■ *Michael Blake is a project co-ordinator with Idasa's social and economics programme.*

Mbeki, Tutu call for war on poverty as UN releases report

CAPE TOWN — Deputy President Thabo Mbeki yesterday again urged the world's industrialised nations to practise debt-forgiveness when dealing with Africa, while in a related plea SA Nobel peace laureate Archbishop Desmond Tutu called on the international community to unite to end the scourge of poverty, as they once did to fight apartheid.

Both men were speaking at the launch of this year's United Nations Human Development Report. Released at the same time in Bonn and Cape Town, it said subSaharan Africa had the highest incidence and most rapid growth in human poverty.

It also called for immediate debt relief for indebted poor countries.

SA ranked 90th out of 175 countries on this year's Human Development Index, which provided a country-by-country measure of achievements in terms of life expectancy, educational attainment and adjusted real income. However, the rating covered "two worlds": no distinction was made between advantaged and disadvantaged ppeople, David Whaley of the United Nations Development Programme (UNDP) said yesterday.

"As usual, SA is very difficult because of the inequities and inequalities," he said, speaking ahead of the official release of the UNDP-commissioned human development report which included the index.

According to last year's index, SA ranked 100th, which was the average between SA whites (ranked 24th overall) and SA blacks (ranked at 124).

The position was similar this year, with S's whites falling into the high human development category and blacks into the lower end of the medium human development scale, Whaley said.

Of the 175 countries included in this year's index, Canada, France and Norway top the ranking, with the US and Netherlands next.

Among developing nations, Hong Kong, Cyprus and Barbados lead, with Sierra Leone, Rwanda and Niger the lowest-ranking.

The report found that the index values of 30 countries fell in comparison to previous years, largely because of drops in life expectancy or per capita gross domestic product. Contributing factors included HIV/AIDS, violent conflict and economies in transition.

In sub-Saharan Africa, SA had done relatively well because of its per capita income rate. It ranked third after Seychelles (52) and Mauritius (61) in terms of the index.

According to the report's gender empowerment measure, SA's percentage of women in Parliament (23,7%) was higher than the average for other developing nations (12,7%) and even industrialised nations (13,6%). But on women administrators and managers, SA women made up only 17,4% against the 27,4% average in industrialised countries. — Sapa.

NEW

Steady advance in reducing poverty

UN accolade for SA's human development

(297)

CT 13/6/97

CHRISTO VOLSCHENK
ECONOMICS EDITOR

Cape Town — South Africa is slowly climbing up the world ranking of human development while other countries in southern Africa are slipping down the ranking, Thabo Mbeki, the deputy president, said yesterday.

Mbeki was speaking at the launch of the latest Human Development Report of the United Nations Development Programme (UNDP).

The report said that from early in the nineties to the middle of the decade South Africa moved from 93rd place in the world ranking of human development to 90th place out of 175 countries, measured by the UNDP.

But in Botswana, Zambia and Zimbabwe, human development declined in the same period, indicating that poverty might have worsened in those countries.

The UNDP measures human development with a so-called human development index which is broadly based on life expectancies, levels of education and average incomes of communities.

As the life expectancy of a community increased, the average educational level lifted and as income levels grew, poverty was eradicated and the community developed, the UNDP said.

The report facitly supports the RDP, which economists and business have criticised

The report showed that South Africa had made steady progress at reducing poverty by developing the population since 1960 when human development was first measured.

The report gave tacit support for the government's reconstruction and development programme (RDP) which was criticised by economists and business in the early nineties for emphasising human development and not economic growth.

Business insisted that economic growth should be the main focus of government policies to generate the wealth necessary to finance human development.

According to the report, "there is highly suggestive evidence that human development and poverty reduction causes growth".

"Recent research suggests greater equality of income and opportunity in the community is good for growth," said the report.

The RDP's main aim is to reduce poverty through redistribution and human development and political commentators expect South Africa to make further progress up the world ranking of human development in the coming years.

NEWS

McGregor a model for development, says Asma

Minister 'enraptured' by Boland village as water project plans take shap

(297)

JOHN YELD
ENVIRONMENT REPORTER

ARG 16/6/97

The lovely Boland village of McGregor can become a rural development model for the rest of the country – particularly in its use of water but also in community-building in general, says Water Affairs and Forestry Minister Kader Asmal.

Speaking after a recent tour of the village, Professor Asmal announced that R250 000 was being allocated to the village as part of his department's "Working for Water" programme, to remove water-hungry alien vegetation from the surrounding Sonderend mountains catchment area.

This would provide more than 50 jobs for nine months, half for women, and the project – the 74th in the programme – would start as soon as a local steering committee had been set up.

Professor Asmal's tour took in, among other sights, a proposed dam site on the Houtbaai River in a gorge outside the town, the village's existing storage dams, municipal land set aside for emerging farmers, and parts of the village where up to three families are living on one erf because of the existing water shortage.

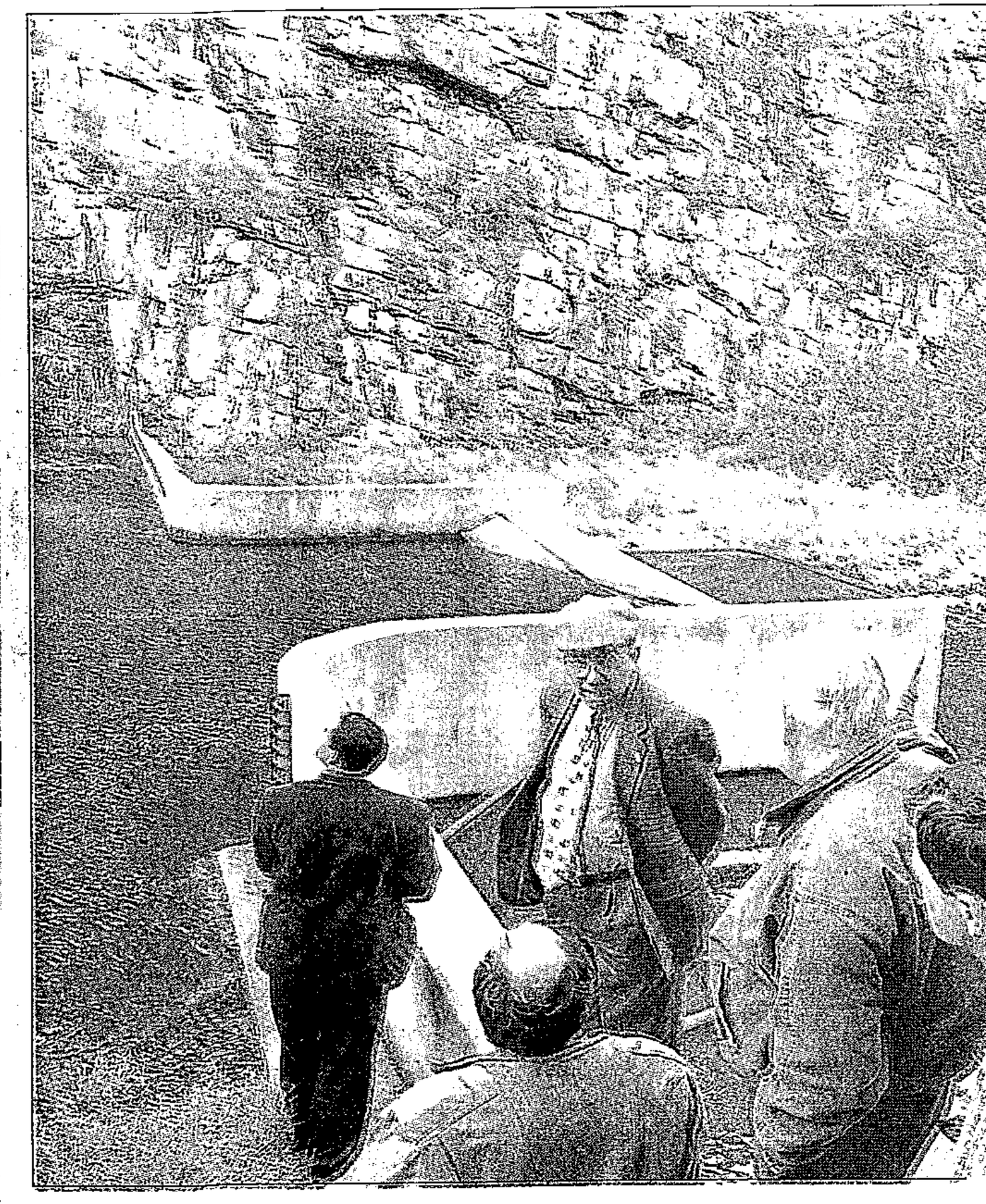
The 60ha area just outside the village for emerging farmers has been subdivided into one hectare plots, but because of a lack of water in summer, few are being worked yet.

Corrie van der Colff, a town and regional planner and a former town clerk of McGregor, said another 200ha could be made available for these farmers if there was sufficient water. Village authorities have proposed increasing the five-metre wall on an existing weir in a narrow gorge on the Houtbaai River to a height of 30m.

This will create a narrow dam stretching back about seven kilometres into the Sonderend mountains and provide an estimated 3,5 million cubic metres of water a year for the village, which now experiences water restrictions during summer.



Sweet serenade: members of McGregor's "Uni Stars" band entertain Water Affairs and Forestry Minister Kader Asmal during his visit to their village



After the tour, Professor Asmal declared himself "enraptured" by the village and said he would probably return for a private visit during spring.

"We could make McGregor a model developmental village in its entirety, not just for water," he said.

Professor Asmal agreed that a dam would probably have to be built in the long-term, although this would destroy "a beautiful valley".

He said a long-term management plan for the village had to be drawn up, in association with the Department of Housing: "We can learn not to do things too hastily or too greedily."

Also, a comprehensive "water utilisation management plan" had to be compiled as a joint effort between the local authority, established agriculture and emerging farmers, as well as a full water conservation package for the village, which would include revised tariffs and other water-saving measures.

These should be modelled on the highly successful water conservation plan implemented at Hermanus, and would have to be in place before he took any decisions about the proposed dam, Professor Asmal said.

He also announced that his department would provide 200 indigenous tr... McGregor's school as part of the "G... of South Africa" project.

complex and di-
mportant that the
bution programme

budgeted R35m this year for conservation and reclaiming programmes, sources said.

Donors plan to continue aid to SA after expiry of pledges

John Dludlu BD 18/6/97 (297)

MOST major donor governments said they intended forging long-term development co-operation links with SA when their pledges expired in 1999, a senior government official said yesterday.

Shaheed Raji, a director in charge of aid co-ordination at the finance department, said donors including Sweden, the UK, Germany, Japan and the European Union (EU) were in the process of drawing up strategies on SA which would provide a framework for continued development co-operation.

Most pledges, made after the 1994 elections and the first to be made directly to an SA government, expire in 1999 — almost the same time that the government will seek re-election for a second term.

Although most governments are keen to continue development co-operation with SA beyond the life of the present administration, development analysts believe further involvement will be more modest than that of post-1994, which was made mainly in celebration of apartheid's end.

Sources close to the Japanese government, which pledged $1,3bn in 1994, have confirmed that Tokyo's future involvement will not be as generous.

The EU has pledged more than 125-million ecus annually over five years to 1999; the Clinton administration is providing $600m; the UK has promised £120m in two tranches; Germany, which has to approve its aid commitments on an annual basis, has so far committed more than DM165m; and Sweden, another significant development player in this country, has committed 345m krone.

Recently, the Swedish government pledged a further 460-million krone for fiscal 1997-1999 and the Bonn authorities have promised to inject a total of DM65m this financial year.

Provinces kicked off National Lottery Board

(~~292~~) CT(BR) 18/6/97 (297)

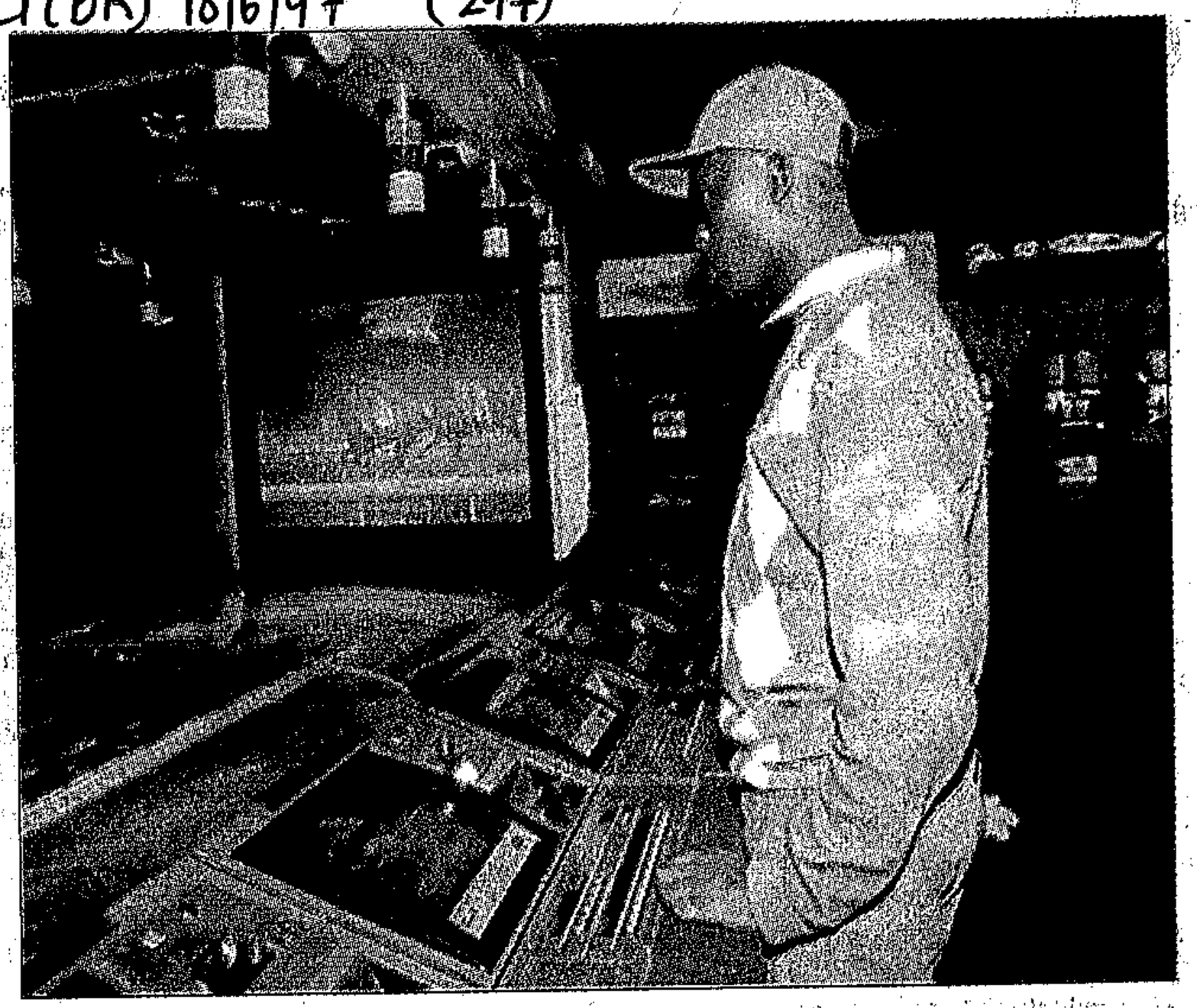
ANN CROTTY

Johannesburg — The parliamentary Ad-hoc Committee on Gambling and Lotteries yesterday changed the Lotteries Bill to reduce the number of National Lotteries Board members from 19 to eight by excluding representation from the nine provincial governments.

Speaking at the Gaming for Africa conference, Jacques Verster of lobbying group Spearhead, said provincial government was excluded because "our constitution specifically provides for the proposed national lottery to be a function of central government, as opposed to gambling, which is a function of provincial government".

In addition the licensing of so-called society lotteries — charity scratchcard operations run by or on behalf of NGOs — had been placed under the National Lottery Board, he said. Such lotteries would be harnessed by capping the total value of prizes to a maximum of R1 million a year a society.

The committee added a provision stipulating that the minister and the board may not favour an organ of state should such an organ bid for a licence.



PLAY ON *Exhibitors prepare for the Gaming for Africa Expo 97, which opens today at Gallagher Estate, Gauteng. It will feature about 100 exhibitors* PHOTO: JOHN WOODROOF

Cosatu dismissive of Gear, supports RDP

(297)

Nomavenda Mathiane

BD 19/6/97

ONE year after the unveiling of the growth, employment and redistribution (Gear) strategy, workers found the promised jobs not having materialised, Congress of SA Trade Union (Cosatu) president John Gomomo said yesterday.

Opening the Chemical Workers' Union's congress in Johannesburg, Gomomo said Cosatu did not support Gear because it could never address the needs of the people, and that there had not been enough consultation between labour and government when this strategy was formulated.

He said the only way to stop poverty was through reconstruction and development programme (RDP) policies of which Cosatu was co-author.

Gomomo said that unlike the business community, which dismissed the programme as a wish list, the masses voted for the African National Congress (ANC) on an RDP ticket and not Gear. He was cynical about the coming October job meeting, saying that business and government was trying to co-opt Cosatu to help them implement Gear.

Gomomo called on workers to support Health Minister Nkosazana Zuma, whom he described as one of the ministers who had stuck to reconstruction and development ideals.

Delivering the "state of the nation" address at congress, communist MP Blade Nzimande said it was important to analyse issues from a working-class standpoint as most South Africans were working-class and landless people.

He highlighted progress made by government on drafting a constitution which enshrined basic democratic rights; free medical health care; clean drinking water; and economic improvements.

He then dealt with the dangers facing SA as it struggled to secure democracy, and attacked the creation of a nonracial capitalist order which would try to win over sectors of the community traditionally part of the liberation movements. He said this would not work because 30% of the black community would be co-opted while 70% remained as it was before.

Touching on KwaZulu-Natal, he said the ANC, being in the centre, could not have an alliance with a party (the Inkatha Freedom Party) that was a "rural organisation in KwaZulu-Natal".

NGOs face future with hope

Star 19/6/97 (297)

Government initiatives and funding from the Transitional Development Trust and European Union have proved an inspiration

By Edwin Naidu

Cash-strapped non-governmental organisations are winning the fight for survival by coming up with innovative ways to enable them to play a positive part in helping build the new South Africa.

After 1994, the NGOs found themselves paralysed as a result of funding cutbacks and without direction as the exodus of their leadership into state posts left them weakened.

From having to operate under apartheid laws, they had to start operating under conditions in which monies previously allocated to them were now given to the Government.

But the gloom brought on by the closure of various NGOs and down-scaling of operations has been replaced by optimism, fuelled in part by Government initiatives aimed at fostering a better working relationship with NGOs.

The Transitional Development Trust (TNDT) has approved at least R50-million for NGOs from funds donated by the Government (R50-million) and the European Union (R73-million).

TNDT general manager Paul Jackson said TNDT had received 1 447 applications containing proposals that cost R1,5-billion. He said the TNDT had R125-million and since January had approved of projects totalling between R8-million and R12-million a month, indicating that the future for NGOs was beginning to look brighter.

NGOs have also come up with their own plan to ensure their survival. Apart from getting involved in income-generating initiatives and devising ways to make NGO operations financially viable, the NGO sector has come up with a blueprint under which they will all operate as a united force.

The NGO's umbrella body, the SANGO coalition, received submissions from 100 organisations around the country for a Code of Ethics.

The document provides guidelines for its members on values, governance, accountability, management, human resources and finance. Members of the coalition are expected to comment and discuss implementation of the code of ethics before the end of June.

The coalition's executive director Kumi Naidoo welcomed the Government's initiatives, including the proposals made by Welfare Minister Geraldine Fraser-Moleketi, to formulate new legislation regarding fundraising for the not-for-profit sector.

Naidoo said the drawing up of legislation was a first step towards creating an environment to operate. He added that NGOs were in need of a new vision, one in which people would stop thinking they were victims of the transitional process, and recognise that they were social agents in the overall transformation processes in South Africa.

Naidoo said despite the recent government initiatives aimed at engaging NGOs as partners, the coalition would push for changes in tax legislation, restructuring of the government tendering process and call for a preferential status from parastatals.

"NGOs still have a long way to go. We still have no control of our funding but by doing things creatively and looking at income generating activities, at least now we feel the future is ours. Prospects look positive and we welcome the broad shift in Government and remain committed to helping transform society."

Rams Ramashia, president of the coalition, said the Government lacked the capacity to introduce new projects and therefore had to work with NGOs, which could provide services more efficiently.

Ramashia said a number of NGOs went under after the transition to democracy but the spirit was beginning to change, particularly from the Government.

"Fraser-Moleketi and Public Works Minister Jeff Radebe said they relied on NGOs because they would not be able to get the work done alone.

"The call for the establishment of a National Development Agency is a vindication of our position because we have proved that, if the needs of the poor are to be addressed, it is important for Government to meet the needs of the NGOs, so we can become active partners in helping eliminate poverty," he said.

Director of NGO Liaison reporting to Mbeki, Bongi Mkhabela said the biggest crisis facing NGOs was a leadership one at local level. "We have to start grooming new leaders and finding new ways in which communities can come up with ideas to uplift themselves, access government contracts and play their part in rebuilding the nation.

"The future prospects look far better than a few years ago. Government has endorsed proposals for NGOs to be involved in social development projects. We all have suffered from the fear of change and, at the same time, have learnt a lot and now must move forward in a positive way," she said.

Tax structure to change to encourage donations

Star 19/6/97 (297)

Various Government initiatives are under way to ensure that non-government organisations (NGOs) are not left out in the cold.

The office of Deputy President Thabo Mbeki and the Departments of Welfare and Population Development and Finance are conducting separate inquiries into how legislation can help to make life easier for NGOs.

The Department of Finance and the sub-committee of the Katz Commission of Inquiry into taxation in South Africa follows requests from the coalition to change the tax structures to encourage corporations and private individuals to donate to NGOs.

Deputy-Minister Phumzile Mlambi-Ngcuka, who chaired the National Development Agency Advisory Committee, is investigating the structural relationships between Government and civil society organisations.

Mlambi-Ngcuka and her committee's recommendations were adopted by Cabinet in March.

It was agreed that the NDA become a statutory body, that Government would transform the Independent Development Trust into a development agency and that the Transitional Development Trust would be phased out and integrated into the new NDA.

This process is expected to be completed by July 1998.

At a conference in Honeydew, Johannesburg, recently, Welfare Minister Geraldine Fraser-Moleketi announced that her department had accepted the proposals of the advisory committee to establish a National Development Agency in order to create a channel of funding to NGOs.

She said her department had proposed to repeal those parts of the Fund-Raising Act relating to the granting of the authority to fund-raise.

The historical experience with the Fund-Raising Act is that it was expensive, allowed considerable discretion to officials, imposed unnecessary geographical and other strictures and was not meaningfully enforceable.

State to pay a fortune to defend Boesak in misuse-of-funds trial

Star 20/6/97 (297)

POLITICAL STAFF

Cape Town – The State is expected to fork out at least R650 000 for the defence of former ANC Western Cape leader Dr Allan Boesak in his upcoming trial.

Boesak faces fraud charges relating to the alleged misuse of donor funds from the Danish aid organisation Dan-Church. He is to appear in court in August.

According to Justice Minister Dullah Omar, the Legal Aid Board had by June 4 already spent R66 767,22 on Boesak.

Omar said Boesak qualified for legal representation at State expense in terms of the constitution.

The firm of attorneys Stegmanns of Pretoria and advocate J G Cilliers of the Pretoria Bar had been appointed to conduct the defence.

Omar was replying to a question from Democratic Party leader Tony Leon.

The defence counsel was selected on the grounds that they had acted on Boesak's behalf during the investigations conducted by the Office for Serious Economic Offences.

"The findings facing the person (Boesak) are substantially based on the findings made at that time.

"The preparation which the lawyers already had gave them a background to prepare for the trial and therefore enable them to provide a cheaper and more efficient service that that which could be expected from a new legal team," said Omar.

The minister said this arrangement was considered by the Legal Aid Board to be the most cost-effective.

DP MP Douglas Gibson asked the minister whether he was aware of anyone else allegedly involved in white-collar crime who was being given "a similar Rolls-Royce defence".

"We are becoming alarmed at the enormous amount of money available for the defence of people accused of crimes, while there is not a cent available for the victims of crime," said Gibson.

Omar accused Gibson of "playing to the press gallery" but said he was looking at beefing up the public-defender system.

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African Development bank invests R113m in SA fund

(297) (BT) 22/6/97

INFRASTRUCTURE FUND

By SVEN LUNSCHE

AFRICA's major multilateral lending agency, the African Development Bank (AfDB), has invested R113-million with the Standard Bank-sponsored SA Infrastructure Fund. This is the first South African investment by the AfDB since the country resumed membership of the bank two years ago.

The AfDB deal looks likely to be followed by a $25-million investment from the World Bank's International Finance Corporation (IFC) in July.

The two investments — if the IFC backs it at its July 10 meeting — bring the capital of the SA Infrastructure Fund to R930-million. The fund, the country's first private sector infrastructure financing initiative, looks likely to announce its first investment soon — a R100-million equity stake in the company building the N4 toll road between Witbank and Maputo.

The fund, which is structured as a trust with a 15-year life span, is committed to investing up to 80% of its capital in local environmental, telecommunications and transport projects, including privatisation. The remaining 20% will be channelled to similar projects in the Southern African Development Community.

The fund was launched last year by Standard Bank, Old Mutual, Metropolitan Life, Transnet and others with a capital of just over R500-million.

The AfDB board backed the SA investment at its recent annual meeting in Abidjan, Ivory Coast.

The bank is also negotiating a $168-million concessionary loan with the SA government.

Development Bank raises millions for projects

NCABA HLOPHE AND NANCY MYBURGH

Johannesburg — The parastatal Development Bank of Southern Africa (DBSA) had raised R700 million to fund infrastructure projects by issuing more of its existing DV07 and DV06 bonds, the bank said yesterday.

The bank would also sign a R648 million infrastructural loan agreement today with the Durban Metropolitan Council — the largest single infrastructural loan granted to a local authority in the country — Sandile Madolo, DBSA's corporate relations manager, said yesterday.

The potential benefits of the R700 million raised from the bond issue "include awarding R360 million worth of projects to small contractors (and) the creation of approximately 18 000 permanent jobs ... while communities will be able to retain R380 million of the investment (to provide) local labour and resources during the construction of the projects", the bank said.

Projects to be funded included water and sanitation, roads and drainage, and energy and social infrastructure for low-income rural and urban areas throughout the country. "The DBSA estimates the present value of benefits directly associated with this investment will exceed R2,5 billion over a period of 20 years," the bank said.

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Reuter reported that part of the funding would be used for the Durban infrastructural development programme.

The R648 million loan agreement with the Durban Metropolitan Council would help address backlogs and development initiatives in the city, Madolo said.

The two parties will also sign a memorandum of understanding to formalise the terms of reference and the manner in which the development programmes are to be executed.

CT (BR) 25/6/97

Madolo said the DBSA had committed loans to the value of R2,7 billion, and grant funding had totalled R14 million in Kwazulu Natal. "The bulk of this funding has been for a wide range of municipal, regional and social infrastructure," he said.

Mike Turrell, the Durban city treasurer, said the loan was one of various sources of finance and would be targeted for the city's capital infrastructural projects.

Food stamps offer a lifeline to the jobless

Willem Cronje urges the Government to consider using a system which he believes to be the most efficient way of reaching the country's poorest citizens

(297)
Star 2/7/97

We are – or should be – worried by the vast wealth and income chasm between black and white in South Africa. This chasm is a danger and an impediment to a prosperous future.

An adverse effect of this chasm is that it impels South Africa towards seeking unwise solutions.

According to the interim Katz Report, about 2,5-million South Africans receive social grants. These total about R10-billion a year. Most are in the form of old-age pensions. This comprises R7-billion a year. Disability grants are the next biggest component, and comprise R1,5-billion.

South Africa does have a limited form of unemployment insurance. This is restricted to individuals who have previously worked, and operates for a limited period. There is no social support for youths who have never worked. This is a dangerous gap in our system of social grants in South Africa.

It is tempting to suggest that this gap be plugged – as it would be in the European Union or the United States – by a dole. However, a back-of-a-cigarette box calculation reveals that a dole is unaffordable. An estimate of applicants for a dole – unemployed people of limited means – could be five million. A dole at a level of less than R1 000 a month would be meaningless.

Paying five million candidates R1 000 a month would cost the fiscus R60-billion a year which would treble the budget deficit.

Is there anything else the State can do to address the immediate needs of the unemployed and their dependents?

There is, of course, free or virtually free medical assistance for those who cannot afford to pay. There are feeding schemes for schoolgoing children and schemes for mothers with young children. However, the feeding schemes are difficult to apply, as they involve the physical distribution of food and they are especially susceptible to corruption.

A 1991 report issued by the Department of Agriculture estimated that about 2,3-million South Africans qualified for nutritional assistance. That is, these people are clinically malnourished. A system of food stamps targeted at these individuals would fill the gap at a far lower cost than a dole.

Assuming 2,5-million people

increase taxes to meet this cost, as restoring basic foodstuffs into the VAT base should produce at least R3-billion a year.

At present brown bread, maize meal, milk, vegetables, fruit and eggs are zero-rated for VAT. Although restoring these commodities to the base will have some adverse consequences for the needy, this will enable the funds generated to be better focused – namely on those who are malnourished.

There are 40 million or more people in South Africa, all of whom now benefit to a small extent from the zero-rating of certain foodstuffs. It would be far better to take pro rata from the 40 million and give the funds to the 2,5 million in dire need.

What are food stamps or food coupons? Why does one sometimes find vehement opposition to the introduction of food stamps in South Africa?

Food stamps are specially designed stamps of various denominations – for example R1, R2, R5 – which are dispensed to needy individuals and their dependents. The food stamps would be used as money by the needy individual or his guardian, and exchanged for goods at a shop which participates in the system. They would not be exchangeable for liquor, cigarettes, and such goods as confectionery.

Zero-rated foodstuffs should be in VAT base

For example, where an individual has a mineral or vitamin deficiency, he would receive stamps which are colour-coded for those ingredients.

The shop would accumulate the stamps, and then cash them in at the local post office.

This is how food stamps operate in the United States, which is by far the major exponent of food stamps internationally. However, they have also been successfully employed in countries such as Sri Lanka and Colombia.

Critics argue that they would require a vast and expensive bureaucracy. However, if food stamps were seen – at least in South Africa – as a remedy for those with a medical condition like malnourishment, there is no reason why existing hospitals and clinics could not dispense them or only dispense the food stamps to those who are clinically malnourished.

Other critics argue that there would be forgery of the stamps, and certain stores would be prepared to exchange stamps for commodities other than qualifying food. Stamps would be stolen and used as cash. This will occur. There is dishonesty, corruption and fraud in all areas of South African society, as there is throughout the world.

Food stamps do, however, have an advantage over giving cash to the beneficiaries. Firstly, the stamp is focused on the type of food needed. There is then a moral obligation on the parties involved to respect the system, as it is an indication that the recipient is in dire need of nutritional assistance.

The system could be budgeted on a regional or a provincial basis. The degree of forgery could be measured by the extent to which the encashment of stamps exceeded the total amounts of stamps printed.

Certain stores would no doubt cheat and exchange stamps for liquor and other non-qualifying commodities. This would, however, happen to a far greater extent if cash – the only realistic alternative to food stamps – were to be allocated.

Would food stamps be preferable to dispensing food physically – using the facilities of the army or organisations such as Operation Hunger – to those in needy areas? The fundamental advantage of the food stamp system is that it relies on private enterprise. The state would not need to get involved in the logistics of transferring, storing, and distributing food.

If, for example, a needy village were to be identified in the Northern Province, the local clinic could be issued with food stamps for dispensing over the following quarter. This would almost instantly translate into increased demand at the local shops, encouraging them to stock up and increase services.

The ANC is quite properly worried about the growing frustration of the black unemployed and marginalised. These people have to date not improved their living standards.

This holds great danger for the future, either in the sense of a growing authoritarian position taken by a beleaguered ANC government, or of the country sliding further towards anarchy. This can be reversed

Investigators deny interference in Boesak probe

By Ramotena Mabote
Political Reporter

The Office for Serious Economic Offences (OSEO) has denied news reports yesterday that the ANC and the Government had put pressure on it not to investigate alleged contraventions of exchange controls by Dr Allan Boesak.

The OSEO's advocate Tommy Prins said he was not aware of any interference and that nobody had tried to influence him during the investigation, which ended in January last year.

ANC Western Cape chairman and Justice Minister Dullah Omar also dismissed the allegations, saying the report looked like "a lot of mischief-making".

The reports claimed that attempts by the exchange-control division of the South African Reserve Bank, to investigate alleged contraventions of exchange-control regulations by Boesak, were met with "questions within ANC circles".

The OSEO last year ordered an investigation into the allegation that Boesak's Foundation for Peace and Justice misappropriated R5,7-million of donor money, of which R3,3-million was allegedly stolen.

The newspaper reports said the possibility that Boesak illegally siphoned some of the money out of the country was not yet the subject of an investigation.

The former cleric is due to stand trial in the Cape Town High Court on August 4.

Prins said the report lacked context concerning the OSEO's investigation. The probe had not found any evidence that money could have been taken out of the country.

Omar was subjected to criticism earlier this year when he, together with other ANC members, embraced Boesak when he returned to South Africa to face trial. Boesak was lifted shoulder-high at Cape Town's airport when he flew into the country.

"There does not seem to be any factual basis for even suggesting interference by anyone. I am not aware of a single person who interfered in the investigations against Dr Boesak," said Omar.

In a statement, the ANC said the allegation that it was interfering was preposterous and devoid of all truth. Boesak was innocent until proved guilty and should not face a trial-by-media, said the statement.

(297) Star 4/7/97

Braamfontein YMCA closes doors

(297)

One of Jo'burg's oldest NGOs has suffered a financial loss for third year running

Star 4/7/97

By Lee-Ann Alfreds
City Desk

The Johannesburg branch of the YMCA, one of the city's oldest non-governmental organisations, has closed the doors of its Braamfontein residence after posting a financial loss for the third straight year.

The residence at the corner of Rissik and Smit Streets was sold in December after the organisation slipped more than R150 000 into the red, YMCA chief executive officer Jan Viljoen said yesterday.

He said about 35 staff members had to be retrenched and the office had been relocated to a house in Gallo Manor while decisions were being taken on whether or not to establish a new residence.

He said the closure of the house had been on the cards for years because its operating expenditure had far exceeded the revenue it generated.

Viljoen said the house had been attracting fewer and fewer visitors over the years because of its dilapidated state.

"We just couldn't make it in that building anymore. We just could not survive in it economically.

"It was a Catch-22 situation – the expenditure we spent on upgrading it versus the maximum we had coming in," he said.

But he emphasised that, while the "building has ended, the Johannesburg YMCA has not".

All the organisation's programmes were continuing and a decision would be taken soon on whether the YMCA would buy a new residence or spend money on expansion.

Treven Hendriks, national secretary of the SA national council for the YMCA, said, while the closing of the residence had been sad and depressing, the other branches were doing well.

He said the organisation had embarked on a five-year "capacity programme to become self-reliant".

500 000 go hungry as feeding scheme falters

Star 7/7/97 (297)

By Anna Cox

Administrative bungles and the loss of cheques worth R450 000 by Gauteng health officials have left 500 000 far East Rand people starving for the past three months.

The health department issues monthly food parcels to destitute people in a community-based nutrition programme.

Yet despite a R13-million budget allocated on April 1, not one non-governmental organisation (NGO) or community-based organisation on the East Rand has had any money since the end of March.

The chairman of the Greater East Rand's representative NGO committee, Collins Ntota, said at the weekend: "In the meantime, while we wait for answers, people are suffering, especially in this cold weather.

"We are sitting on a time bomb and I foresee violence if the food parcels do not arrive, as neither hostel dwellers nor Greater Far East Rand people have received food.

"This programme is no longer controlled by the NGOs which were appointed by the people, but has become government-driven. Although officials claim committees are in place, they have not called a meeting in nine months and we have not been consulted at all," he said.

His sentiments have been echoed by other members of the community and NGO leaders who claim they cannot get reasons from officials on why the feeding has not begun. They also claim government officials have hijacked the feeding programme from them without explanation, and that they are no longer being consulted.

Another community leader, who asked not to be named, said the people at grassroots level, who were receiving the food parcels, no longer believed the excuses from the health department. He said accusations had been made that NGOs were putting the money into their own pockets.

"We have a crisis on our hands. One parcel, which is for one person, is stretched to feed up to five people. They are now desperate and angry with us, the community leaders. We cannot get answers from officials," he said.

The regional director for the health department's community programme, Bheki Sibeko, confirmed that cheques worth "a few thousand" rands had gone missing.

"I am pushing to get the cheques reissued," he said.

Food crisis as aid vanishes

ARGUS CORRESPONDENT ARG 7/7/97 (295)

Johannesburg – Administrative confusion and the unexplained loss of 40 cheques totalling R450 000 by Gauteng health officials have left about 500 000 people on the Far East Rand short of food for three months.

The Health Department issues monthly food parcels to destitute people in a community-based nutrition programme but, in spite of a R13-million budget allocated on April 1, not one non-governmental organisation (NGO) or community group has so far received any money for food on the East Rand since the end of March.

The chairman of Greater East Rand's representative NGO committee, Collins Ntota, said: "In the meantime, while we wait for answers, people are suffering, especially in this cold weather.

"We are sitting on a time bomb and I foresee violence if the food parcels do not arrive, as neither hostel dwellers nor Greater Far East Rand people have received food.

"This programme is no longer controlled by the NGOs, which were appointed by the people, but has become government-driven. Although officials claim committees are in place, they have not called a meeting in nine months and we have not been consulted at all," he said.

His sentiments were echoed by other NGO leaders, who said they could not get reasons from officials why the scheme had not begun. They also claimed government officials had hijacked the feeding programme from them without explanation and that they were no longer being consulted.

Another community leader said "the people at grassroots level" no longer believed the excuses from the Health Department. He said accusations had been made that NGOs were putting the money into their own pockets.

"We have a big crisis on our hands. One parcel, which is for one person, is stretched to feed up to five people. They are now desperate and angry with us – the community leaders. We cannot get answers from officials," he said.

The regional director for the health department's community programme, Bheki Sibeko, confirmed that cheques worth "a few thousand" had gone missing.

He was uncertain whether it was an accident or theft, but the matter was being investigated and NGOs had been called to a meeting and the situation explained to them.

"I am pushing to get the cheques reissued," said Mr Sibeko.

Further delays to provision of food for hungry

(297) (98)

Red tape continues to tie up parcels

Star 8/7/97

By Anna Cox

Destitute people on the Far East Rand have been dealt another blow by Gauteng health officials who are now demanding nine signatures, including those of non-legally constituted street committee members, for one cheque for one non-governmental organisation.

This is further delaying the provision of food parcels to the destitute who have not received food since the end of March in terms of the Gauteng province's Community-based Nutrition Programme.

An NGO, the Katorus Youth Development Forum, which has been handing out food parcels on the East Rand for the past six years, was advised by the Gauteng East Rand health department to collect its first cheque of the new financial year yesterday.

The forum management committee, consisting of chairman Lucky Nkosi, who also represents the destitute of Vosloorus, and a representative each from Tokoza and Katlehong, went to collect their R187 500 cheque, which feeds about12 000 people, only to be told they needed nine people, including members of street committees of Katlehong, Vosloorus and Tokoza, to sign for the cheque. For the past six years only the three signatures of the management committee were required.

Nkosi yesterday said: "We have been running the feeding for six years without a hitch. We are audited every month by independent auditors and no problem has ever been found.

"Those we help are mainly illiterate people who do can't understand bureaucracy and the excuses and they are accusing us of stealing the food," he said.

The Star yesterday revealed that 41 cheques to the value of R450 000 had gone missing resulting in the suffering of almost 500 000 people on the Far East Rand.

The Gauteng health department reacted yesterday saying the replacement cheques were ready and would be handed over during the next few days.

The department also said 28 other NGOs had received money for feeding, although most of those organisations claim that they received the cheques only in the past few days and that they have, in the meantime, lost three months of food.

The department denied communities and NGOs had been excluded.



Out in the cold ... about 36 former homeless families had to leave their shelter after the Eastern council closed down Turkish Baths in central Johannesburg yesterday.

Shelter closes due to lack of funds

(297) 29

Trust spokesman claims Turkish Baths became a crime abyss and tenants hadn't paid their rents

Star 9/7/97

BY BONGIWE MLANGENI

About 36 families, who were part of a project which provided homeless people with temporary shelter and skills training, were thrown back on to the streets yesterday.

The Eastern council closed down the Turkish Baths shelter in De Villiers Street, central Johannesburg, because there were no more funds for the project, said councillor Judith Briggs.

The move has left homeless people feeling bitter and cheated. "We were promised heaven and earth, now the council is dumping us just like that. And, couldn't they wait until the end of winter?" asked Sibongile Mandindi.

Renamed Ntlo Ya Mohau (House of Mercy), the Turkish Baths building – previously owned by the Public Works Department – was handed over to the homeless people last year at a ceremony attended by government officials and local business people.

The pilot project aimed at providing temporary shelter and skills training that would make homeless people employable. After a year the residents were expected to move out and give room to another group.

The Johannesburg Trust for the Homeless (JTH), with help from the Rotary Club and the Greater Johannesburg Metro Council, managed the project.

About180 people who had invaded the Red Cross Building were moved to Turkish Baths last January and about 10 of them received plumbing and literacy skills while at the shelter.

But yesterday the families were evicted.

"We thought we could still stay on since the project did not work as expected. Most of us learnt no skills and we cannot afford accommodation elsewhere," Mandindi said.

JTH spokesman Mbuso Dlamini said the council had served a two-month eviction notice and offered alternative accommodation at a Marlboro shelter where tents and food were provided, but tenants refused to go. Mandindi refuted these claims, saying the council had later withdrawn its offer.

"We wanted to be around the city because we were told Turkish Baths was going to be renovated and re-opened in two months' time," he said.

Briggs said the council still planned to renovate the shelter as soon it received subsidies from the Gauteng government.

The building would still be used as a transitional shelter, she said, but added that there was no guarantee the council would give preference to people who had been living there.

Dlamini claimed the evicted group had turned the shelter into a crime abyss, running shebeens, selling dagga and keeping stolen goods. Most of the tenants also did not pay the weekly R10 rental, he added.

Anger as foreign expert gets post

Sowetan 11/7/97

297

Group also complains about transformation process at bank

By Isaac Moledi

DISCONTENT is brewing at the Southern African Development Bank over the appointment of a former World Bank expert to the private sector investment unit by the bank's chief executive Dr Ian Goldin.

Former World Bank expert David Ferreira was appointed by Goldin to start up the bank's investment unit last year. He was also to offer training to the DBSA staff and act in an advisory capacity to the chief executive.

A group calling itself "concerned DBSA senior staff" called Ferreira's appointment "unilateral and unprocedural".

They said they were concerned about the way the bank was recruiting foreign experts "who are basically less interested in the sustainability of the bank, but who are only interested in receiving lucrative payments".

"It should be registered that the mechanistic approach that the chief executive practises is very disempowering ... one wonders how much training has been done to date", the group's statement said.

The group also complained about the DBSA's transformation process and lack of affirmative action promotions.

They attacked the Government for relying on a "transient and itinerant chief executive to deliver on a national agenda" at the DBSA.

Naive to reply

"It would be naive to rely on a chief executive who since joining the bank, a year ago, has never spent at least six days in a month in his office," the group claimed.

Although the DBSA confirmed receiving the memorandum in which the alleged complaints were listed, they said they knew nothing about the existence of the group.

Goldin confirmed Ferreira's appointment but denied that his appointment as manager of the unit was unprocedural and unilateral.

"The person's appointment was approved by the DBSA board of directors because he applied for this position when it was advertised," said Goldin.

He denied that there was no action on affirmative action and the transformation of the bank.

He added that affirmative action appointees accounted for approximately 70 percent of the management team as against half of that percentage previously.

"The indices of the bank's success story lie in its ability to reach a R1,38 billion record target in disbursements in the past financial year. To date, the bank is committed to exceed R2 billion in disbursement by the end of the current year," said Goldin.

BD 14/7/97 (297)

Revolt brews at Development Bank over hiring of foreign expert

Lucia Mutikani

SENIOR staff at the Development Bank of Southern Africa had approached Finance Minister Trevor Manuel to express dissatisfaction over the appointment of foreigners and the bank's affirmative action policies, sources said at the weekend.

In a letter to Manuel, the staff members accused CE Ian Goldin of unilaterally appointing former World Bank expert David Ferreira to the bank's private sector investment unit. They said the bank was more reliant on foreigners "who are basically less interested in the sustainability of the bank, but who are only interested in receiving lucrative payments".

"It should be registered that the mechanistic approach that the CE practices is ... disempowering, as it is not designed for innovation. One wonders how much training has been done to date as one hears that the very same expert will be leaving within a year," wrote the staff members. "It is of concern that the public purse has been used to move this manager's household from Washington DC to ... the greener pastures of SA."

They said since Goldin's appointment a year ago, he had spent fewer than six days a month in his office.

The employees also attacked the bank's affirmative action programme as being a euphemism for disempowerment instead of empowering.

Bank corporate relations manager Sandile Madolo said the allegations were unfounded. Ferreira's appointment was approved by the board "when a need arose to fill the position of an adviser to the chief executive on private sector cofunding of infrastructure. The costs of his relocation from Washington were not paid by the bank."

He said affirmative action appointees accounted for about 70% of the bank's management team. "The allegations that black managers are tokens is a serious affront to their roles and responsibilities."

He said the bank had made significant achievements in its transformation. "As the bank no longer receives funding from government, the chief executive has a duty to raise funds and establish partnerships. The bank has a Southern African Development Community mandate and its clients are not in Midrand where its headquarters are situated. The chief executive's job therefore entails travelling to the provinces, visiting the bank's projects and meeting key stakeholders."

Madolo said the bank was committed to disbursing more than R2bn this year. It had committed R800m in the first quarter.

Academic urges pact for development

(297) ARG 15/9/97

A leading academic has urged political stakeholders to enter a development pact to ensure sustained higher economic growth.

Political analyst Lawrence Schlemmer said yesterday that although there had been encouraging signs that the Government was getting to grips with governing, there were still some worrying negative trends.

"Government delivery is improving, political stability and predictability are clearly stronger, the Government seems to be taking crime control more seriously and macro-economic policy is consistent," Professor Schlemmer said in his latest political analysis for the South African Chamber of Business.

On the negative side, tension between labour, government and business continued on critical issues such as macro-economic discipline, labour market flexibility and approaches to job creation.

The Government was also barely holding its own against the forces of corruption and non-payment of rates and service charges. In addition, its approach to education and health involved high-risk policies which could be costly.

"Perhaps one could draw these trends together by saying that government is genuinely trying to come to grips with the problem of governing a fractious society," Professor Schlemmer said.

In the context of the "bigger picture" of emerging markets, however, South Africa looked somewhat shakier.

While organised labour in other countries had accepted the challenge of promoting the cost-effectiveness of labour, South African labour had "decided first to fight an economic Cold War with capital and now with government itself", Professor Schlemmer said.

Against this background, South Africa continued merely to "muddle through".

The only alternative was a pact between opposing interests and stakeholders but he doubted whether such a pact would be possible and said that it was likely the Government would continue its muddling. – Reuter

Govt aims to get more out of its finance institutions

(297) BD 21/7/97

John Dludlu and Robyn Chalmers

GOVERNMENT would seek the best returns and a way of maximising benefits from the five development finance institutions it owned, Finance Minister Trevor Manuel said at the weekend.

Manuel expressed reservations about the viability of draft legislation on development finance institutions which was the result of earlier initiatives.

He said government was taking a different approach to seeking efficiencies from the Development Bank of Southern Africa, the Industrial Development Corporation, Khula Finance Corporation (which wholesales finance to small business intermediaries), the National Housing Finance Corporation and the Land Bank.

A draft document, which has since been taken off the table, recommended the establishment of a co-ordinating council chaired by the finance ministry but had sections which clashed with founding statutes of some institutions.

Manuel also said the "entire arena of provincial development corporations" was being appraised within the finance "minmec" — the intergovernmental ministerial forum. Lack of communication could result in duplication among development institutions, which would not benefit SA.

The ministry's long-term approach was to bring the five bodies together, seek synergies and explore possibilities which could see facilities being shared.

However, Manuel said the ministry was aware of the unique relationships each of the corporations had with domestic capital markets. "It is important (though) that in talking they do not only define how they touch sides, but what they can share to ensure SA gets maximum return for that which is invested with the five."

The ministry was looking beyond co-ordinating structures and wanted to break the previous government's trend which saw funds being pumped into former bantustans when the apartheid regime was profitable.

While progress had been made in linking the five institutions to line ministries, Manuel said that the "fit" between them would still be "imperfect".

Regarding the Development Bank, Manuel said a new board would soon be appointed in terms of the parastatal's transformation process. The bank had been refocused to concentrate on financing infrastructure and it announced last year a flatter management which involved getting rid of 55 of 75 senior management posts.

Manuel said he was satisfied that the bank was moving in the right direction, although further work would be needed as the bank was facing new challenges in different environments.

He said that while the jury was still out on the success of the bank's transformation, benefits were already being seen in terms of shorter response times and a flatter management structure.

Referring to a recent letter sent to Manuel by "concerned bank staff" outlining complaints regarding the management of the organisation, he said it was unclear how representative the letter was. "We do not believe it represents a groundswell of dissatisfaction within the bank. The transformation committee, however, is widely representative of staff and concerns should be raised within this forum," he said.

Black firms 'must help social sector'

Patrick Wadula

BD 24/7/97

THE SA Grantmakers' Association (Saga), a voluntary nonprofit organisation, has challenged black established businesses to take their social responsibilities seriously by contributing to the development and upliftment of society.

At a workshop on the role of black business and development in SA, Saga outgoing chairman Hugh McLean said that in the past three years SA had seen the emergence of many black established businesses.

Although these companies played a vital role in empowering blacks, they did little for the development of the social sector, including development, education, welfare and human rights.

"In business, grantmaking is often considered as a social favour usually irrelevant to increased margins," he said.

Private giving by businesses, foundations and other philanthropic funds was responsible for about 10% of the sector's income.

Government, surprisingly, contributed substantially more to non-governmental organisations. Many companies considered their social responsibilities seriously and made contributions in kind rather than in cash.

University of Zululand's Council of African Thought executive director Herbert Vilakazi told delegates at the workshop that there was a need to empower the masses by providing immediate material needs including food, shelter and clothing.

"Then unleash the enormously vast creative entrepreneurial skills," he said.

Mystery donor to pay for Boesak's defence

(297)

By ADELE BALETA

Star 26/7/97

A mystery donor has stepped forward to foot the potentially huge legal bill of a senior advocate who will now defend Dr Allan Boesak on 32 charges of theft and fraud in the Cape High Court.

The case, which was originally due to be heard on August 4, will, according to legal sources, be postponed to October 13 to allow Boesak's new senior counsel time to prepare for the case.

There has been intense speculation that Boesak's defence would be paid for by the taxpayer, but the Legal Aid Board – which is largely funded by public money – turned down a request for senior counsel to assist in the trial of the veteran anti-apartheid campaigner.

Boesak has been accused of theft of more than R1-million of foreign funding. A senior officer of the board had said earlier that a junior counsel and attorney was normal representation for a "case this size".

Boesak's attorney, Chris Petty, confirmed yesterday that neither the taxpayer nor the Legal Aid Board had put up the money for senior counsel for Boesak.

Petty refused to name the donor or the senior counsel. The Pretoria Legal Aid Board was severely criticised when it decided to fund Boesak's legal costs after he "passed the written means test".

Legal experts estimate that the trial will run up to six months at an estimated cost of about R1-million. The Legal Aid Board decided in March that Boesak would be allowed only junior counsel and an attorney.

At the time, Boesak and his legal team were planning to appeal against the decision. The top rate that legal aid pays advocates is R1 800 a day, while senior counsel can charge at least R6 000 a day.

Boesak, head of the now defunct Foundation for Peace and Justice, was granted legal aid because he had no income and no assets.

His co-accused and former bookkeeper of the organisation, Freddie Steenkamp, had also qualified for legal aid.

Steenkamp and Boesak are to face 12 charges of fraud and 20 of theft – amounting to almost R9-million.

Steenkamp and Boesak are to face charges of fraud involving an estimated R5,7-million and theft of about R3,1-million. Boesak is accused of using R1,1 million of the foundation's money for personal use. The money was meant for victims of apartheid.

Earlier this year, Justice Minister Dullah Omar faced criticism after he openly supported the embattled former activist.

But Omar denied any conflict between his public support for Boesak and his position as justice minister.

The Democratic Party called for a parliamentary debate on Omar's conduct, and the National Party labelled the ANC's support for him as "direct interference in the legal process".

Mystery donor to help Boesak

ARG 26/7/97 (297)

ADELE BALETA

A mystery donor has stepped forward to foot the potentially huge legal bill of a senior advocate who will now defend Allan Boesak on 32 charges of theft and fraud in the Cape High Court.

The case was originally due to be heard on August 4, but legal sources said it would now be postponed to October 13 to allow Dr Boesak's senior counsel time to prepare.

There had been speculation that Dr Boesak's defence would be paid for by the taxpayer, but the Legal Aid Board – which is largely funded by public money – turned down a request for senior counsel to assist in the trial of the veteran anti-apartheid campaigner.

Dr Boesak's attorney, Chris Petty, confirmed late yesterday that neither the taxpayer nor the Legal Aid Board had put up the money for senior counsel for Dr Boesak. Mr Petty, however, refused to name the donor or the senior counsel. Dr Boesak has been accused of theft in excess of a million rands of foreign funding.

A senior officer of the Legal Aid Board said earlier that a junior counsel and attorney was normal representation for a "case this size".

Several months ago the Pretoria Legal Aid Board was severely criticised when it decided to fund Dr Boesak's legal costs after he "passed the written means test".

Legal experts estimate that the trial will run up to six months at a cost which could total at least R1-million.

In March the Legal Aid Board decided that Dr Boesak would be allowed only junior counsel and an attorney.



Dream-team defence: Allan Boesak

At the time Dr Boesak and his legal team were planning to appeal against the decision. The rate Legal Aid pays advocates is about R1 800 a day, while senior counsel can charge at least R6 000.

Dr Boesak, head of the defunct Foundation for Peace and Justice, was granted legal aid because he had no income and no assets.

His co-accused and former bookkeeper of the organisation, Freddie Steenkamp, had also qualified for legal aid.

Mr Steenkamp and Dr Boesak are to face charges of fraud involving an estimated R5,7 million and theft of about R3,1-million.

Dr Boesak stands accused of using R1,1-million of the foundation's money for personal use, while Mr Steenkamp allegedly used R3,1-million.

The money was meant for victims of apartheid.

This year Justice Minister Dullah Omar faced a barrage of criticism after he publicly supported the embattled former anti-apartheid activist. But Mr Omar rejected suggestions that there was any conflict between his support for Dr Boesak and his position as justice minister.

In response, the Democratic Party called for a parliamentary debate on Mr Omar's open support for Dr Boesak, the National Party labelled the ANC's support for Boesak "direct interference in the legal process" and a member of the Human Rights Commission expressed concern that the signal the ANC was sending out could undermine efforts to curb government corruption.

The state has released a list of 167 witnesses it may call, many of them prominent in the anti-apartheid struggle.

They include Jan de Waal, Lionel Louw and Charles Villa-Vicencio, who were all trustees of the Foundation for Peace and Justice.

Desmond Tutu is also expected to be called to testify.

Twenty-eight prominent African-American clergy have expressed concern that "Dr Boesak, in facing his old enemies, would not get a fair trial".

$8bn US injection to create thousands of jobs in SA

Star 28/7/97 (297)

By Rich Mkhondo
Washington Bureau

Tollroads, submarine cable system and 2,8 million new phone lines among plans

The US Trade and Development Agency (TDA) will embark on 45 projects valued at $8,2-billion (about R37,5-billion) which will bring thousands of jobs to South Africans.

These projects, include tollroads to link Mozambique, South Africa and Botswana.

One high-tech tollroad, to be called N4-West Tollroad, will pass through Pretoria, and will cost $356-million (about R1,62-billion) to build.

Other massive projects include a Wild Coast tollroad between Port Edward and Port St Johns, a telecommunication submarine cable system to link Cape Town and Dakar and the installation of 2,8 million new telephone lines to modernise the telecommunication network in South Africa.

The two major national highways and 43 other projects to be undertaken in conjunction with the South African Government and the local private sector, are profiled in a report to be released by the TDA tomorrow at a trade and investment conference being held in conjunction with the fifth summit of the US-South Africa Binational Commission co-chaired by Deputy President Thabo Mbeki and US Vice-President Al Gore.

"This report represents some of the hottest projects going on in South Africa and means big business opportunities for US and South African companies," said TDA director Joseph Grandmaison.

The TDA is an independent federal agency that assists in the creation of jobs for Americans by helping US companies pursue overseas business opportunities.

TDA spokesman Donald Dunn said his organisation provides American firms with market entry, exposure and information through the funding of feasibility studies, technical assistance, and reverse trade missions. These efforts help American businesses establish a position in markets that are otherwise difficult to access.

While the massive telephone installation project is a national effort, Grandmaison said priority customers are being targeted first for new services, including medical and educational institutions, libraries, community centres and 3 200 villages with populations between 100 to 2 000 people.

There is also the construction of the Richards Bay Dry Dock which will have the capacity to repair supertankers in the deepest water and to become the largest bulk cargo port in Africa.

Other projects include the private upgrading of the Kruger National Park and Nelspruit airports and upgrading the Nkomazi area water supply system in KwaZulu Natal.

"With the new South African Government committed to open markets and privatisation and a favourable investment climate, there are many attractive opportunities for US companies. We are pleased to be a part of the Gore-Mbeki Binational Commission and its commitment to engage the American private sector in the continued growth of the South African economy," Grandmaison said.

The Gore-Mbeki binational summit will end on Wednesday.

At the same time more than 100 South African businessmen will attend the South African Trade and Investment Conference co-sponsored by TDA, Overseas Private Investment Corporation (Opic), Export-Import Bank of the US, and the US Department of Commerce.

SA and US delegates, both in government and the private sector, will discuss the dynamics of establishing strategic partnerships and outline opportunities in SA's emerging economy.

UNIVERSITY OF CAPE TOWN

Private sector skills boost RDP delivery

Jacob Dlamini

CAPE TOWN — The involvement of private sector managers in running the reconstruction and development programme (RDP) had helped result in a massive rise in expenditure, the finance department said yesterday.

Figures compiled by the department show that spending on RDP projects rose from R600m in 1994/95 to about R1,8bn in 1995/96. Spending in the past financial year was expected to rise more than fourfold.

Neil Nel, the department's national co-ordinator for programme management services, said managers seconded to government by private sector companies had contributed significantly to the increase.

There were eight managers working in government departments while their respective employers paid their salaries. The cost of the secondments to the private sector was estimated at R3,6m annually.

He said the managers had introduced and help draw up sound business plans, resulting in improved delivery and more efficient management structures.

The managers would soon be involved in monitoring projects funded by foreign donors in an attempt to speed up delivery. This followed complaints by donors that money had not been spent because of a lack of business plans and co-ordination.

Nel, who was seconded to government by the Agricultural Research Council before being recruited by the finance ministry, said significant progress had been made since the closure of the RDP office in May last year.

The constitutional development department had spent 82% of the R1,3bn allocated to it for the municipal infrastructure programme. RDP funds had also been used for the Masakhane campaign. Progress on the campaign had been slower than expected because of a lack of infrastructure.

Government had also committed R7m of RDP funds to improving the criminal justice system.

Consultants brought in to help manage the primary school nutrition programme had made a telling difference. Most provinces had now spent 100% of their allocations, while the renovation of schools and the construc-

Continued on Page 2

(297)

BD 29/7/97

Departure

Stephane Bothma

PRETORIA — The environment fairs and tourism department ha posed an international departure of about $15 payable by every p leaving SA, as a means of fundin promotion of tourism.

If accepted the departure tax w be introduced by the end of the ye replace the existing "bed levies" co ed from guests by establishments on behalf of government, Satour executive director Michael Farr said yesterday..

The tax will be charged in addition to an airport tax of R122 on international flights and R39 on domestic flights for the upgrading and maintenance of airports.

RDP

(297)

Continued from Page 1

BD 29/7/97

tion of classrooms had also accelerated, with provinces averaging about 65% of targeted expenditure.

The construction of new schools averaged between 22% and 23% of set targets while the health department had reached 95% of its targets in building new clinics.

The water affairs department had provided running water to more than 160 000 people in the Free State and the North West and to 60 villages in the Transkei.

Nel said the RDP fund, into which money donated by foreign governments and aid agencies was deposited, had remained static over the past year as a result of rollovers. Government departments had had no procedures to follow regarding the use of foreign funds and this had hampered delivery.

the easiest to administer, he said.

Satour had several problems collecting the bed levies from hotels. "There is currently about R600 000 outstanding from 289 accommodation establishments," he said.

The proposal of the departure tax

exchange from tourism, while Satour received R64m from government. The rest of its R102m budget was obtained from the bed levy and from money generated by the organisation. Of the R102m, 55% was spent on administration and 45% on promoting SA.

Key Market Movements 25/7 to 28/7

Development Bank makes record loans (297)

CT(BR) 30/7/97

RICHARD STOVIN-BRADFORD

Johannesburg — The Development Bank of Southern Africa said yesterday it had disbursed a record R1,4 billion of loans during the 1996-97 financial year.

"We're aiming at commitments of R2,5 billion and loan disbursement of R2 billion this year," Ian Goldin, the chief executive, said. "Our commitments are growing faster than our disbursement. But we are disbursing more quickly," he said, referring to the closing gap in lead time between commitments and contract completion, when disbursement is made.

New investment loans of R2,2 billion were approved for 102 infrastructure programmes and projects. This was up from last year's R1,6 billion.

Lending was concentrated on funding the provision of infrastructure. The majority went to bulk electricity supply. Local government institutions and public utilities were the largest borrowers, followed by Southern African Development Community countries. The bank said the performance of the loan book remained satisfactory, with a default rate of below 1 percent.

"Our bottom line this year is down to R102,6 million," Goldin said. The 9 percent fall from last year is mainly the result of a 54 percent rise in interest expense compared with a rise in interest income of only 22 percent, partly because of the lower interest rates on the older loans now being repaid.

"Next year we're targeting a surplus of well over R150 million," Goldin said.

The bank no longer receives subsidies from the government and has improved its treasury management in order to become financially self-sustainable. Goldin said the average return on loans is 14,3 percent, up from the previous return of 9,24 percent.

In the past year the bank borrowed some 30 percent of its requirements from concessionary international financial sources, although this will decrease in the present year.

Strict financial discipline helped the bank to retain its long-term AAA rating for raising debt in the domestic market. In addition, it was rated A1+ for short-term credit by IBCA, the rating agency.

Goldin said the lack of liquidity and lack of risk sharing (in the local bond market) was a problem in South Africa.

R180-m programme thriving

(297) Sowetan 31/7/97

Project promoting the establishment of new businesses in Mpumalanga

By Isaac Moledi

THE R180 MILLION Nkomazi Irrigation Expansion Programme (NIEP) has transformed this formerly impoverished region in Mpumalanga into a thriving farming community.

The project, east of the Nkomazi river, has already created about 431 farms on 330ha of under-utilised land. It is expected that this region will produce about 42 000 tons of sugar annually worth R36,5 million.

About 46 emerging contractors, many of whom started businesses as a result of the project, were awarded contracts in excess of R14 million. Hundreds of micro-enterprises are also flourishing on the sidelines of this fertile scheme, which has created thousands of job opportunities and injected millions of rands into the local economy.

The project, an initiative of the Mpumalanga Department of Agriculture, was funded by the Development Bank of Southern Africa. The Mpumalanga Development Corporation, which has been involved in the project, appointed MBB Consulting Engineers in Nelspruit as the main project co-ordinators.

The consulting company was assisted by ACER Africa.

The aim of the project, according to MBB's project manager Koos van Rensburg, is to promote the economic development of the Nkomazi region using agricultural development as a catalyst and driving force.

"We used labour intensive construction methods to create job opportunities and sub-divided contracts into categories so emerging contractors could benefit.

"Some of these categories included the installation of pipelines, erection of perimeter fences, building of canals, construction of roads, bush clearing and the construction of pumping stations and farm buildings," he said.

Van Rensburg said MBB supported the small contractors throughout the process. This included assisting them with the completion of tender documents, on-site training and progress monitoring.

"With about 14 different contractors working on a project, and up to five projects running simultaneously, quality control was sometimes difficult.

"However, this was turned around to everyone's benefit when we instituted a scheme employing prospective farmers as quality controllers," he explained.

Some of the contractors started on projects in Nkomazi as assistants, but through the training process have started their own businesses and are now contracting to big companies.

Clearing of bush

Elias Bhatjani, currently clearing 800ha of bush on the Walda and Mfufane projects, started with one bulldozer clearing land on community farms. He has since bought another bulldozer, a front-end loader and a trench digger.

"The development has brought work, growth and security to the region," said Bhatjani.

Joseph Mkhabela is another excellent example of this upliftment process.

Van Rensburg said Mkhabela started as a foreman on one of the early projects and, encouraged by a suggestion "from one of our engineers that he start a business", formed his own company, Joseph Construction.

"Currently he has been awarded two contracts, worth R600 000 for laying a total of 136 km of water reticulation pipe," Van Rensburg said.

According to ACER Africa's Steve Woodburne, the emerging contractor works independently, but under the management and training of an experienced contractor, to construct a specific section of the project.

"It was a win-win situation combining local employment opportunities and on-site training while maintaining high standards of quality," argued Woodburne.

Doors of opportunity

Van Rensburg said: "Although the work potential for local, emerging contractors will shrink once the programme has been completed, there are other doors of opportunity in the form of projects for private farmers, participation in new development initiatives and involvement in the ongoing maintenance on the Nkomazi project."

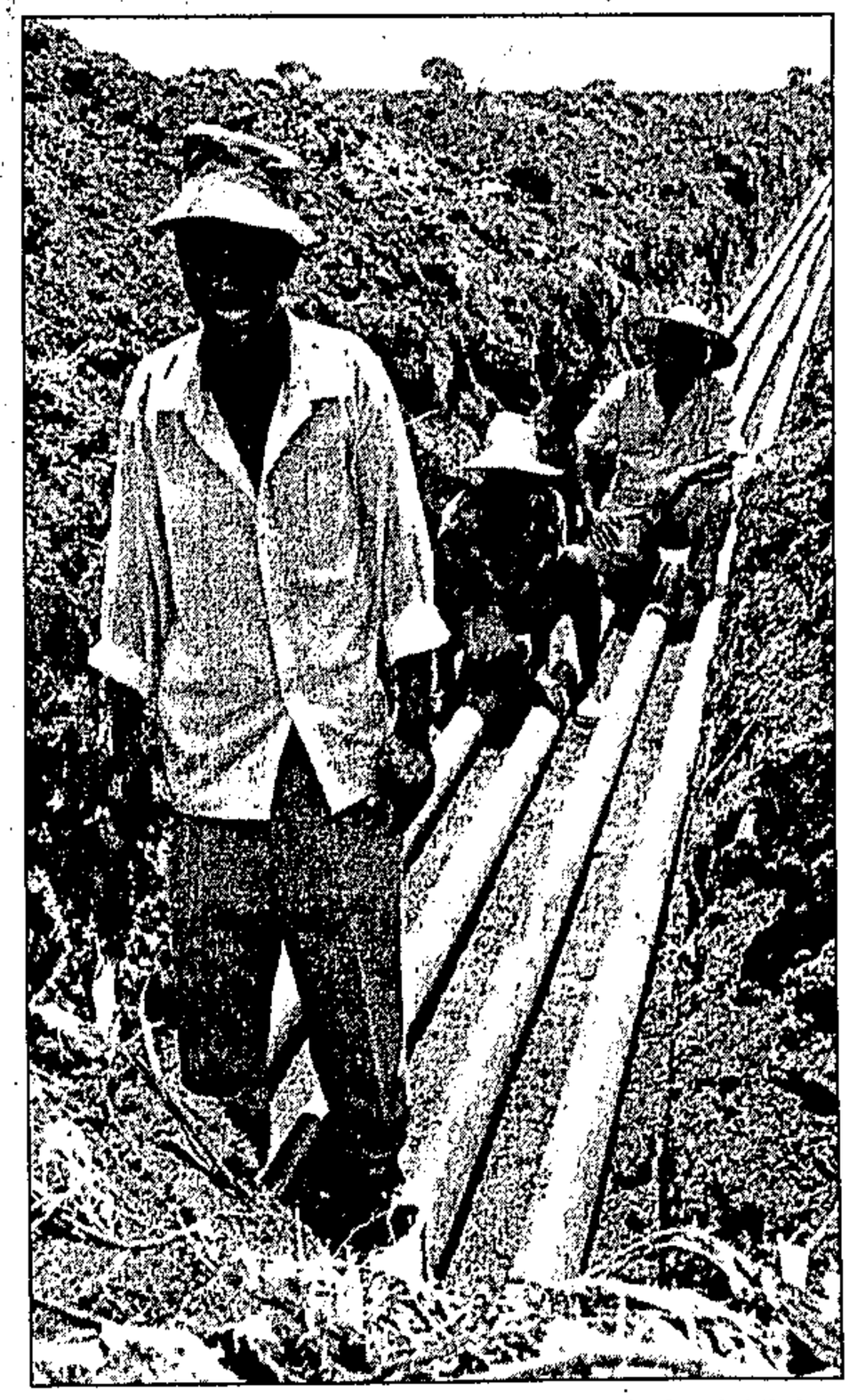
The Nkomazi programme was planned with active community involvement throughout the planning and implementation phases.

A system of committees has been established, which maintains communication flow and ensures that the people on the ground have a voice at government level.

The programme in Nkomazi East entailed the construction of 124 kilometres of roads and 125 kilometres of fences, the laying of 1 197 of underground pipes and the installation of 60 pumping units in 20 pump stations.

"The bottom financial line has been a multi-million rand spin-off for the people of Nkomazi, which translates into the ability to buy houses and vehicles and to widen the world for their children through third level education.

A multitude of micro-businesses have also been established, from spazas and taxis to market gardening and brickmaking enterprises," said Woodburne.



Joseph Mkhabela, one of 46 emerging contractors who founded their businesses on the R86,6 million Nkomazi irrigation programme which has resulted in an economic miracle in the area.

Planning for the future

YOUR child's education is a priority for all parents, but education comes at a cost. In 1997 the average cost of educating your child from pre-school through three years of university education would be in the region of **R180 000!** This cost increases to **R290 000** five years from now and a staggering **R467 000 in ten years time.** This assumes a conservative education inflation rate of 10% compounded. Fedsure Life have come up with a solution, a way of assisting you in saving for these staggering costs – it's called Prosperity Education Plan. This is a policy that has been specifically designed to provide for the educational needs of your child. There are two options with this plan. Option one – the straightforward Education Plan and Option two with the added benefits of a Unit Trust Portion. It's as simple as choosing the option that best suits you.

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The Prosperity Education Plan is designed to run for a minimum period of five years in order to allow you to make the most of your investment. Fedsure Life will ensure that your child's policy performs as well as you expect due to the following:

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- Automatic protection against death or disability. Should you become permanently disabled or die, Fedsure Life will continue to pay your monthly premiums thereby giving you complete peace of mind that comes from knowing your child's educational future is safe.
- Easy monthly contributions allow you to decide how much you wish to save and how much you can expect to receive.

Option two

This option affords you the same benefits as option one but with the added benefit of a unit trust portion. Unit Trusts offer greater flexibility, excellent growth potential and high returns. By taking this option you will be assured of the above benefits as well as:

- Flexibility – allowing access to your investment at any time. This could come in handy when paying for school uniforms etc. You will also have the option of selling part or all of your unit trusts or increasing your unit trust investment.
- Favourable investment structure – your investment plus the interest you gain is reinvested in the Growth Fund in order to purchase more unit trusts thereby increasing your number of unit trusts over time.

You will find Prosperity Education Plan the answer to providing for your child's education. For more information call our Toll Free line on **0800 110977 (o/h).**

s/h000000/s

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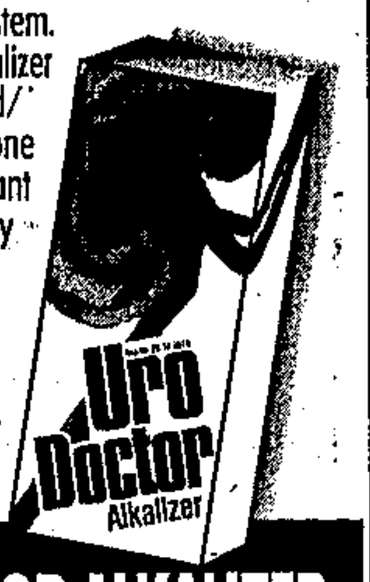

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E ARGUS, THURSDAY, JULY 31, 1997

SA red tape stops Europe handing over millions in aid

(297)

FOREIGN SERVICE ARG 31/7/97

Brussels – European Union officials are finding it almost impossible to give money away to South Africa.

EU chiefs have disclosed that only a quarter of last year's aid budget for South Africa was actually paid out.

Just R150-million of an annual budget of R616-million was handed over.

Money was earmarked for projects totalling R408-million, but there were serious difficulties in getting the cash to those who need it most.

The EU's aid programme mirrors the priorities of SA's own RDP programme, and is intended to help underpin the economy and to prop up the democratic system.

EU officials claim that none of last year's budget will be lost, although they admit money is being paid over very late.

"The problem on our side was that there was no formal legal basis for paying the money, and that caused problems," said an EU official.

"But the main problem was on the South African side.

"They set up a system in which they would pay out the money, and then claim it back from us – but there were big problems in implementing it.

Initially, the Government appeared to have great difficulty in deciding which ministry should take responsibility for receiving EU aid and ensuring the money got to those who needed it.

"It was very bad, but we hope that things will work a bit better this year, and the important thing is that even if the aid will arrive late, it will arrive.

"The system for paying has now changed, and we are optimistic everything will be on target by the end of this year." He said all the EU aid for South Africa for this year – around R631-million – had now been earmarked for various projects.

SOCIAL SECURITY — GENERAL

1997 -

AUGUAST — DEC.

in particular the large number of executions in the apparent absence of respect for internationally recognized safeguards, cases of torture and cruel, inhuman or degrading treatment or punishment, including amputation and public executions, the failure to meet international standards in the administration of justice and the absence of due process of law;

(b) At the grave breaches of human rights of the Baha'is in the Islamic Republic of Iran and situations of discrimination against the members of this religious community, as well as at the discriminatory treatment of minorities by reason of their religious beliefs, including certain Christian minorities, some members of which have been the target of intimidation and assassination;

(c) At the lack of continuity in the co-operation of the Government with the mechanisms of the Commission on Human Rights;

(d) At the continuing threat to the life of Mr Salman Rushdie, as well as to individuals associated with his work, which appear to have the support of the Government of the Islamic Republic of Iran, and deeply regrets the increase announced in the bounty offered for the assassination of Mr Rushdie by the 15 Khordad Foundation;

(e) At violations of the right of peaceful assembly and restrictions on the freedoms of expression, thought, opinion and the press, and the harassment and intimidation of writers and journalists seeking to exercise their freedom of expression, the arrest of the writer Mr Faraj Sarkuhi being only the most recent example of such unacceptable practices;

(f) At the lack of full and equal enjoyment by women of human rights, while noting efforts to integrate women more fully into the political, economic and cultural life of the country;

3. *Calls upon the Government of the Islamic Republic of Iran:*

(a) To resume its co-operation with the mechanisms of the Commission on Human Rights, in particular with the Special Representative in order to allow him to continue his inquiry first-hand and to continue his dialogue with the Government;

(b) To abide by its freely undertaken obligations under the International Covenants on Human Rights and under other international instruments on human rights, and to ensure that all individuals within its territory and subject to its jurisdiction, including members of religious groups and persons belonging to minorities, enjoy all the rights enshrined in those instruments;

(c) To implement fully the recommendations of the Special Representative and the relevant recommendations of the Special Rapporteurs on religious intolerance and on freedom of opinion and expression, in particular the recommendations relating to the Baha'is, Christians, Sunni and other minority religious groups;

(d) To take effective measures to eliminate all discrimination against women, in law and in practice;

(e) To refrain from violence against members of the Iranian opposition living abroad and to co-operate wholeheartedly with the authorities of other countries in investigating and prosecuting offences reported by them;

(f) To provide satisfactory written assurances that it does not support or incite threats to the life of Mr Rushdie;

(g) To ensure that capital punishment will not be imposed for apostasy or non-violent crimes, or in disregard of the provisions of the International Covenant on Civil and Political Rights and the United Nations safeguards;

Hansard

(4) *Decides:*

(a) To extend the mandate of the Special Representative, as contained in Commission resolution 1984/54 of 14 March 1984, for a further year, and requests the Special Representative to submit an interim report to the General Assembly at its fifty-second session and to report to the Commission at its fifty-fourth session and to keep a gender perspective in mind when seeking and analysing information;

(b) To request the Secretary-General to continue to give all necessary assistance to the Special Representative to enable him to discharge his mandate fully;

(c) To continue the examination of the situation of human rights in the Islamic Republic of Iran, including the situation of minority groups such as the Baha'is, at its fifty-fourth session under the agenda item entitled "Question of the violation of human rights and fundamental freedoms in any part of the world, with particular reference to colonial and other dependent countries and territories".

Unquote

(b)(i) 26 votes in favour of the resolution.

(ii) 7 votes against the resolution.

(c) 19 abstentions.

(d)(i) South Africa abstained.

In his latest report (UN document No. E/CN.4/1997/63 dated 11 February 1997), (document available on request), the Special Representative on the UN Commission on Human Rights has noted that Iran is a complex and dynamic society in which progress is being made in a number of sectors, including human rights.

The South African Government nevertheless acknowledges that various human rights abuses need to be addressed in Iranian society. However, the Government remains convinced that frank dialogue and, where necessary, expressions of disapproval are the best way of supporting the positive trends identified by the Special Representative, hence South Africa's decision to abstain from voting on the resolution on Iran. It is important to note the fact that 12 of the 15 African members on the Commission on Human Rights abstained from voting on this resolution.

This use of critical dialogue also enables South Africa to influence positively other countries where there are violations of human rights.

In addition, South Africa's position is vindicated by the overwhelming support which the Iranian people gave to Mr Khatami in the recent presidential election. During his election campaign, Mr Khatami indicated that religious and ethnic minorities should feel safe in Iran, and that he opposes the suppression of the press. There are also indications that the Khatami administration would favour a more accommodating approach towards women in Iranian society. The strong backing which Mr Khatami received from female voters during the election, bears testimony to this encouraging development.

RDP: utilization of donation by American government

624. Mrs T J MALAN asked the Minister of Justice:† (297)

(1) Whether any portion of the amount of R18 million allocated to his Department from the R256,7 million donation by the American Government towards the Reconstruction and Development Programme is to be used "to transform the system for the administration of justice"; if not, what is the position in this regard; if so, (a) what portion and (b) how is this amount to be used;

(2) whether he will make a statement on the matter? N1064E

The MINISTER OF JUSTICE:

(1) Yes.

(a) 95% or R17,100 million will be utilized to transform the system of administration of Justice.

(b) The amount will be used for several projects and initiatives with a view to the transformation of the administration of justice.

(2) No.

Staff members employed at universities

627. Mr M J ELLIS asked the Minister of Education:

(a) How many (i) academic and (ii) non-academic staff members were employed at each university in the Republic on 1 January (i) 1994, (ii) 1995, (iii) 1996 and (iv) 1997, (b) how many (i) undergraduate and (ii) postgraduate courses were available at each university in each of those years and (c) what was the average cost of one year's study for (i) an undergraduate and (ii) a postgraduate (aa) science, (bb) arts and (cc) commerce degree at each university in each of those years? N1067E

The MINISTER OF EDUCATION:

According to information provided by the universities themselves, tables have been compiled. The absence of figures indicates that no reply was received from the university at the time of compiling this reply.

(a) Academic / non-academic

University	1994	1995	1996	1997
Cape Town				
academic	833	842	788	786
non-academic	2 155	2 075	2 034	2 018
Durban-Westville				
academic	500	512	562	not
non-academic	964	984	903	available
Fort Hare				
academic	223	287	295	283
non-academic	1 367	1 306	1 307	1 232
Medunsa				
academic	268	230	204	223
non-academic	904	1 016	1 020	1 033
Natal				
academic	699	673	668	676
non-academic	1 411	1 417	1 370	1 370
The North				
academic	432	477	538	571
non-academic	551	551	564	593
Orange Free State				
academic	836	771	726	726
non-academic	1 131	1 108	1 096	1 096
Port Elizabeth				
academic	243	240	241	251
non-academic	506	535	500	505
Potchefstroom				
academic	459	466	474	466
non-academic	619	615	616	642
Pretoria				
academic	1516	1603	1565	1565
non-academic	2 698	2 779	2 772	2 772
Rand Afrikaans				
academic	331	338	311	308
non-academic	388	519	593	591
Rhodes				
academic	310	310	317	339
non-academic	415	429	438	447
Unisa				
academic	1 624	1 680	1 747	not
non-academic	1 256	1 492	1 281	available
Stellenbosch				
academic	847	835	803	700
non-academic	2 061	1 717	1 800	1 228
Western Cape				
academic	465	493	586	596
non-academic	1 100	1 160	1 210	1 272
Witwatersrand				
academic	1 510	1 510	1 503	1 492
non-academic	2 951	2 978	2 938	2 885
Zululand				
academic	243	272	291	309
non-academic	755	840	896	932
Vista				
academic	528	596	604	625
non-academic	632	776	780	756
North West				
academic	324	302	262	236
non-academic	899	873	794	756
Venda				
academic	not	212	234	273
non-academic	available	386	437	475
Transkei				
academic	not	not	245	not
non-academic	available	available	831	available

(b)

University	1994	1995	1996	1997
Cape Town				
undergraduate	1 434	1 468	1 507	1 454
postgraduate	712	740	760	709
Durban-Westville				
undergraduate	732	745	643	870
postgraduate	450	472	495	530
Medunsa				
undergraduate	14	15	15	15
postgraduate	9	5	9	9
Natal				
undergraduate	569	327	285	205
postgraduate	526	532	549	495
The North				
undergraduate	110	110	110	110
postgraduate	75	75	75	75
Orange Free State				
undergraduate	402	417	435	435
postgraduate	170	214	212	212
Port Elizabeth				
undergraduate	38	38	42	47
postgraduate	37	37	42	42
Pretoria				
undergraduate	51	51	51	51
postgraduate	91	91	91	91
Rand Afrikaans				
undergraduate	194	202	204	205
postgraduate	529	541	541	598
Rhodes				
undergraduate	77	77	80	81
postgraduate	92	93	92	92
Stellenbosch				
undergraduate	55	56	57	57
postgraduate	114	117	120	126
Western Cape				
undergraduate	51	58	60	52
postgraduate	68	64	67	65
Zululand				
undergraduate	225	225	225	225
postgraduate	225	225	225	225
Vista				
undergraduate	17	19	19	20
postgraduate	13	13	14	14
North West				
undergraduate	17	17	17	17
postgraduate	26	26	26	26
Venda				
undergraduate	331	370	415	465
postgraduate	247	265	280	299

(c)

University	1994	1995	1996	1997
Cape Town				
undergraduate				
science	7 650	8 250	8 950	9 675
arts	6 600	7 100	7 700	8 350
commerce	7 400	7 950	8 600	9 300
postgraduate				
science	3 550	3 800	4 100	4 425
arts	3 550	3 800	4 100	4 425
commerce	3 550	3 800	4 100	4 425
Durban-Westville				
undergraduate				
science	4 400	5 080	5 880	5 880
arts	3 920	4 560	5 260	5 240
commerce	5 500	6 350	7 350	7 350
postgraduate				
science	3 220	3 720	4 300	4 300
arts	2 910	3 370	3 890	3 890
commerce	3 460	4 000	4 620	4 620
Medunsa				
undergraduate				
science	5 180	5 930	6 850	7 670
arts				
commerce				
postgraduate				
science	3 680	3 200	3 600	4 870
arts				
commerce				
Natal				
undergraduate				
science	8 260	8 680	9 030	9 710
arts	6 990	7 340	7 660	8 240
commerce	7 580	7 960	8 280	8 900
postgraduate				
science	6 060	6 370	6 630	7 130
arts	5 050	5 310	5 520	5 940
commerce	5 480	5 760	6 000	6 450
The North				
undergraduate				
science	not	not	not	not
arts	available	available	available	available
commerce				
postgraduate				
science				
arts				
commerce				

Old guard bank a 'model of transformation'

M+G (BDM) 1-7/8/97 (297)

Madeleine Wackernagel

TREVOR MANUEL, wearing his other hat as governor of the Development Bank of Southern Africa, described the institution as a model of transformation at the annual meeting this week, a sentiment echoed by Dr Ian Goldin, the chief executive.

"In the past year we have achieved significant transformation," said Goldin, "but we recognise that much more needs to be done. We have a new mandate now, agreed after an extensive deliberation process, which means restructuring the bank's business as well as human resource policies.

"There are bound to be difficulties during a process of change, which is why consultation with the various interest groups is vital when addressing and redressing the problems of the past."

Both Manuel and Goldin were eager to dispel the rumours that have recently dogged the bank. Talk of a revolt among the staff was completely unfounded, said Goldin, while Manuel challenged any dissenters to come forward via the proper channels, and took a swipe at anonymous complaints. The bank had an important job to do and could not afford to be distracted by misinformed accusations.

Significant progress has been made in the past year since Goldin took over. Management tiers have been compressed: from a bloated 65, a total of 26 department heads now run the institution. Staff numbers have fallen from 530 a year ago to 485 now, but that figure will probably stabilise around 500 as the affirmative action and training programme gets under way in earnest. Costs are down because of improved productivity, says Goldin.

But the real transformation of an old-guard institution established on the homeland system into one attuned to the new South Africa and the principles of the Reconstruction and Development Programme still has some way to go. At present, disquiet surrounds the regrading programme, which affects every staffer. Insiders claim the old guard is digging in its heels.

The bank is a model of consultative management; some say that is half the problem, because decision-making is held up. But Goldin is confident that concerns about the regrading procedure and affirmative action programme, discussed with various staff representative groups, were effectively dealt with at a board meeting this week. Consultative processes are continuing.

"Obviously, regrading is a very sensitive issue, and it's not something we have entered into lightly. We took a lot of advice on how to restructure staffing most effectively and eventually settled on the Hay system.

"An appeal system has been set up, designed with the various interest groups, and Imsa [the Independent Mediation Service] is on hand. We've done it all as fairly as possible. And we will continue to consult with the interest groups to ensure it is implemented effectively."

One issue that is still simmering at the bank is the problem of job regrading based on a person's actual or potential role. The affirmative action group argued that people's potential was hampered under the old grading system so it would be unfair to judge them on past performance.

Goldin accepts there was discrimination under the old regime, and R2-million has been set aside in this year's budget to redress such anomalies. An independent consultant will facilitate the process, which will be overseen by the affirmative action committee and management.

But money is only a short-term solution; what the bank needs to do now is set affirmative action and empowerment goals and stick to timetables for implementation.

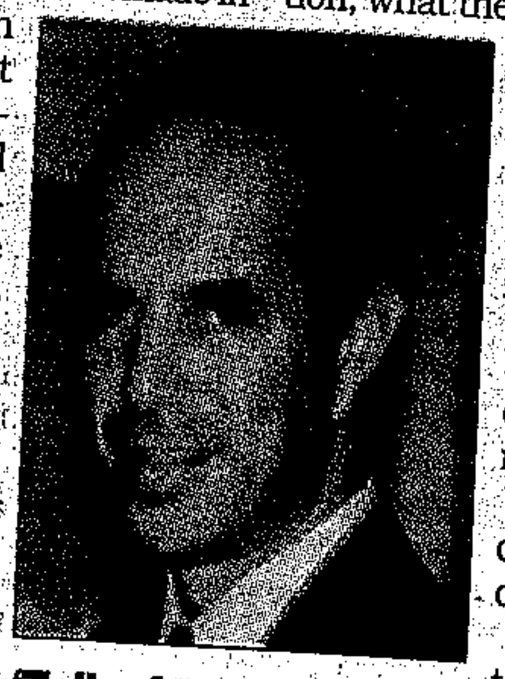
"Managers will be judged on their training and affirmative action success, as well as on delivery and other performance criteria," he says.

"What we are trying to do here is introduce a credible system."

With that issue out of the way, Manuel and Goldin got on with the other business of the day: a new board, a new mandate and new goals. The bank disbursed a record R1,387-billion in the 1996-97 financial year and is aiming to increase this to nearer R2-billion in the next year.

But even that amount was a drop in the ocean compared with the country's needs, said Goldin. The infrastructural backlog is huge, hence the bank's emphasis on private-public sector initiatives and other partnerships.

"It's not a matter of private versus public investment; we aim to crowd in the private sector. The Maputo corridor project is a very good example. But much more needs to be done."



'Talk of a revolt among the staff was completely unfounded' — Ian Goldin

Shake-up for charities

Star 4/8/97 (297)

By Jovial Rantao
Political Correspondent

Cape Town – Welfare and Population Development Minister Geraldine Fraser-Moleketi is to table legislation which will repeal the compulsory registration of organisations wishing to raise money from the public.

Fraser-Moleketi announced yesterday that the Not-for-Profit Bill had been endorsed by the nine provincial welfare MECs at a meeting held in Mpumalanga at the weekend and would soon be presented to the welfare committees in the National Assembly and the National Council of Provinces.

The proposed legislation will see provisions of the Fund-Raising Act, No 107 of 1978, relating to granting authority to organisations to raise funds from the public, being repealed.

"The Not-for-Profit Bill seeks to complement attempts by Government and other relevant stakeholders to create an enabling environment for not-for-profit organisations.

"In addition, it attempts to bring legislation affecting not-for-profit organisations in line with constitutional guarantees of free association and the general principle of encouraging a vibrant and accountable civil society. The bill will do away with the compulsory registration of organisations wishing to raise funds from the public. It will signal support for not-for-profit organisations within a climate of freedom and voluntary association."

▶ **Aids group seeks policy change**
Page 7

R100-m set aside to fight poverty

Sowetan 4/8/97

By Simon Zwane
Political Reporter

THE Ministry of Welfare and Population Development is to spend R100 million on programmes to alleviate poverty throughout the country, Welfare and Population Development Minister Mrs Geraldine Fraser-Moleketi said yesterday.

The amount has been endorsed by provincial MECs and welfare heads of department at a two-day *lekgotla* held in Mpumalanga on Thursday and Friday.

Fraser-Moleketi said the war on poverty would be launched soon with the assistance of the South African National Non-governmental Organisations Coalition, the South African Council of Churches, the Homeless People's Federation and other stakeholders.

She reported that the Free State had become the first province to eradicate social grant "ghosts" who had been fraudulently collecting social security benefits.

A new system of paying the grants had been introduced in the province, beneficiaries re-registered and new identity documents issued in a process that started in April.

The ministry pays social grants to 2,9 million people each month and this is considered to be the Government's biggest poverty reduction programme.

The ministry also aims to complete the rebuilding of at least one child and youth care facility in each province by the end of October.

The *lekgotla* also endorsed the Not-for-Profit Bill scheduled to be placed before the parliamentary portfolio committee and the National Council of Provinces select committee soon. The Bill will seek to repeal provisions of the Fund Raising Act relating to granting organisations authority to raise funds from the public.

AID *Only R150m was handed over out of R616m last year*

297

EU cash trickles into SA

CT(BR)4/8/97

JOHN FRASER

Brussels — European Union officials have announced only a quarter of last year's EU aid budget for South Africa was actually paid out — R150 million was handed over out of an annual total budget of R616 million.

Money was earmarked for projects totalling R408 million, but there were serious difficulties in getting the cash to those who needed it most.

The EU's aid programme mirrors the priorities of South Africa's RDP programme and is intended to help underpin the economy and prop up the democratic system.

EU officials claim none of last year's budget will be lost, although they admit money is being paid over late. "The problem on our side was that there was no formal legal basis for paying the money, and that caused problems," an EU official said.

"But the main problem was on the South African side. They set up a system in which they would pay out the aid and then claim it back from us, but there were big problems in implementing it."

He said all the EU aid for South Africa for this year (totalling about R631 million) had now been earmarked. "And indeed, we have identified more projects than the budget can handle," he said.

"The system for paying the money has now changed, and we are optimistic everything will be on target by the end of this year."

The EU previously had major problems in revamping its aid from a system where all the money went directly to non-governmental organisations to the current set-up where the South African government is the main aid partner.

Initially, the South African government appeared to have great difficulties in deciding which ministry should take responsibility for receiving EU aid and ensuring the money got to those who needed it.

But Elias Links, the South African ambassador in Brussels, has expressed concern about the problems in delivering EU aid to South Africa. "The money has been committed, (but) we must take great care to ensure we do not lose it," he said. — Independent Foreign Service

Boesak may have own trial

ET 4/8/1978 (297)

CHRIS BATEMAN
POLITICAL WRITER

CONTROVERSIAL cleric Dr Allan Boesak and his former Foundation for Peace and Justice (FPJ) bookkeeper, Mr Freddie Steenkamp, may have their trials separated when they appear briefly in the Cape High Court today to answer charges of theft and fraud involving millions.

Boesak, claiming Steenkamp handled the funds, has consistently denied any dishonesty involving the disappearance of millions of rands in Danish and Swedish anti-apartheid funding of his now-defunct foundation.

Steenkamp has admitted taking R750 000 from the FPJ, some of which was used to buy himself cars and a ski-boat.

Boesak, a former patron of the United Democratic Front (UDF) and a pivotal anti-apartheid leader, left Cape Town to live and lecture in California two years ago when the controversy peaked with funding abuse disclosures by lawyers for Danchurch, the Danish aid agency.

He was accompanied by his former television producer wife Elna and their young child.

The Danchurch probe concluded that Boesak had "substantially and unlawfully enriched himself" by nearly R1 million.

This led to a nine-month probe by the Office for Serious Economic Offences which made recommendations to the attorney-general's office. The attorney-general took another nine months to lay charges.

The probes directly contributed to Boesak's resignation as Western Cape MEC for Economic Affairs and sank his chances of being appointed ambassador to the United Nations in Geneva.

When he returned to South Africa to prepare his defence for his trial earlier this year, Boesak was greeted as a returning "struggle hero" at Cape Town International Airport by hundreds of supporters, including Justice Minister Mr Dullah Omar.

The trial is due to be postponed today to October 14.



LEON MÜLLER

Court appearance: Allan Boesak and his wife Elna leave the Cape High Court this morning

Boesak seeks separate trial

ARG 4/8/97 (297)

DENNIS CAVERNELIS
HIGH COURT REPORTER

Allan Boesak, former head of the now-defunct Foundation for Peace and Justice, will apply for his fraud and theft trial to be separated from that of his co-accused and former bookkeeper, Freddie Steenkamp.

The trial in the Cape High Court was postponed today to September 15, when the court will hear Dr Boesak's application for a separate trial.

Dr Boesak was accompanied to court by his wife Elna, and a small group of supporters, outnumbered by the press contingent, sat in the public gallery and the old jury box in Court One.

Mr Steenkamp and Dr Boesak, who face 32 charges of theft and fraud involving nearly R9-million, were not asked to plead.

The prosecution did not oppose the postponement, granted by Cape Judge-President Mr Justice Gerald Friedman. Dr Boesak will no longer have to report to police.

Plans on track for early start on Maputo corridor links

(297)

ARG 4/8/97

Maputo – Work on upgrading road and rail links and port facilities in the Maputo corridor development should begin next year, South African and Mozambican ministers say.

Transport Minister Mac Maharaj said at a weekend conference that work was on schedule. "Our record to date dispels any pessimism."

The corridor, from the Johannesburg area to the coast 500km away, was initiated in May last year by President Mandela and Mozambican President Joaquim Chissano.

The aim is to upgrade road and rail links to promote the development of mining, agriculture, manufacturing and tourism along the route, and to dredge and improve Maputo harbour.

Trevor Jackson, chief executive of the Franco-South African Trac consortium, which was awarded the contract for the R1,8-billion toll road in May, said construction should begin in record time, by February, for completion in 2001.

Mozambique's Transport Minister, Paul Muxanga, said the contract for upgrading Maputo harbour should be awarded the same month, after a preferred bidder was announced on December 18.

The port, road, rail and related infrastructure projects would cost more than R4,5-billion, and 90 percent of this was to be private-sector investment. – Reuter

Welfare will reregister beneficiaries to weed out 300 000 claims

(297) BD 4/8/97

Deborah Fine

THE welfare and population development ministry would launch an ambitious project to reregister SA's 3-million social welfare grant beneficiaries in a bid to stop abuse of the system, Welfare Minister Geraldine Fraser-Moleketi said yesterday.

Nationwide reregistration, which would mean savings of R2bn in two years, was aimed at eliminating duplicate payments, invalid identity documents, payments to children over 18 and other irregularities. The process was expected to weed out about 300 000 fraudulent registrations.

The project is expected to take 18 months at an estimated cost of R110m, and will take place in co-operation with the home affairs ministry.

The social grants programme is one of government's biggest poverty reduction projects, involving a total budget of R14,2bn. Provision has also been made to finance a 9,3% cost of living increase amounting to R1bn from July.

This meant an increase in the monthly allowance for pensioners, war veterans and disabled people from R430 to R470. Foster care grants increased from R305 to R340 a child.

Fraser-Moleketi explained that the welfare department had finished amalgamating the 14 previously segregated computer systems used to pay beneficiaries into one central database.

Differences in legislation and the accuracy of record-keeping between the previous administrations had led to incomplete and inaccurate records in the current database. The new computer system, used to register beneficiaries and calculate the payment of monthly grants, was designed to filter information and test for accuracy.

An analysis of the current data on the central database had indicated a large number of invalid and duplicate identity numbers, suggesting that irregular payments were being made. Missing birth dates and birth certificate numbers had also led to the continued payment of maintenance grants in respect of children over 18.

There was little chance of recovering funds spent on irregularities and therefore, to achieve the highest savings, the department had recommended using data mining techniques to target areas with the highest suspected fraud rate as a priority.

The outcome of the data mining cycles would supply input for prioritising reregistration activities as well as grounds for the immediate suspension of suspect beneficiaries. Beneficiaries would be suspended unless the information was corrected by means of a review procedure.

40

Maputo project has lured billions, delegates told

BD 4/8/97 24 (297)

Robyn Chalmers

MAPUTO — The Maputo corridor development had already generated billions of rands of private sector investment in both SA and Mozambique, with more to come, delegates at a Société Générale Frankel Pollak conference heard at the weekend.

It was broadly estimated that almost R15bn would be spent in the coming months and years through projects such as the Mozal aluminium smelter, the southern African iron reduction plant and the proposed Red River Project which aimed to mine vanadium and titanium near Tzaneen.

Transport Minister Mac Maharaj said it was only through building efficient and effective road, rail and port links with the back-up of power and telecommunications that the potential of the region could be unlocked.

"The infrastructure projects are well on their way, and investments (are) planned which will change the very nature of our economic prospects," he said.

At the cornerstone of unlocking investment potential in the area was a joint Mozambican-SA venture called the Maputo Corridor Company.

This was being set up by the two governments to remove and unlock constraints on investment.

Maharaj said government had three priorities in launching the investment phase of the Maputo corridor.

These were that the infrastructure projects had to be delivered on time, both public and private sector had to consolidate their relationship by making full use of the Maputo Corridor Company's services, and the benefits of regional cooperation had to be realised through improved economic performance.

Mozambican Transport Minister Paulo Muxanga said construction on the toll road between Maputo and Witbank should start early next year.

The contract, which has been awarded to a consortium called Trans-Africa Concessions, was the first privately financed build, operate and transfer contract in southern Africa.

On the port upgrading, Muxanga said a preferred bidder should be announced by December 18 and the contract would be awarded by next February with construction set to start by the middle of next year.

The project would be awarded to a joint venture private port management concessionaire that would rehabilitate, maintain and operate the assets of the port, with the total capital rehabilitation cost estimated at $85m.

A rail network, valued at $67,3m, had the same timetable as the port.

Trans African Concessions CEO Trevor Jackson said the syndication of funding for the road had already kicked off and there was a "scramble to get in on the action".

Jackson said the tariffs charged per kilometre on the toll road were likely to be lower than those being charged on SA toll roads.

Boesak seeks separate trial

297

ET 6/8/97

STAFF WRITER

FORMER church and anti-apartheid leader Dr Allan Boesak arrived at the Cape High Court on a rainy day yesterday to face 32 charges of theft and fraud amounting to more than R8 million.

Looking confident and even jovial, Boesak appeared side by side on the court steps with his television producer wife Elna and his young son after a 10-minute court appearance.

However, yesterday's court appearance was low-key compared to an earlier appearance in March when a large crowd of Boesak followers turned up to support their "struggle hero".

Yesterday only a very small handful of people turned up.

Minutes earlier the former Foundation for Peace and Justice chief had appeared with former FPJ book-keeper Mr Freddie Steenkamp before presiding judge, Western Cape Judge President Gerald Friedman.

Counsel for both Boesak and Steenkamp gave notice they would apply for separate trials.

The case was postponed to September 15 to give Boesak's newly appointed senior counsel, Mr Mike Maritz, time to prepare for the case.

Maritz, one of the most experienced, and expensive, lawyers was appointed only at the last minute after an unknown benefactor apparently stepped in to pay the now unemployed and penniless Boesak's defence costs.

During the proceedings, one of Boesak's bail conditions, that he report to police in Cape Town or Pretoria every Sunday, was scrapped by the judge, with no objection from state prosecutor Mr "JC" Gerber.

Earlier the Boesak family slipped into the High Court through a side entrance, evading a large local and foreign media contingent.

However, following his brief court appearance, a smiling Boesak emerged on the court steps and made no attempt to dodge the press. Instead he chatted and waved to members of the media.

However, yesterday's court appearance was in stark contrast to his triumphant return from the United States in March when close on 1 000 banner-waving supporters, including Western Cape ANC leader and Justice Minister Dullah Omar, greeted him on his arrival at Cape Town International Airport.

Boesak was also carried shoulder-high by delirious supporters at his first court appearance later that month. But yesterday the media contingent far outnumbered the three or four supporters.

Boesak and Steenkamp are facing 32 charges — 12 of fraud and 20 of theft.

Boesak is alleged to have stolen at least a million rand from the Danish charity Danchurch Aid.



LOOKING CONFIDENT: Allan Boesak, accompanied by his wife Elna, after a brief appearance in the Cape High Court yesterday. He faces 32 charges of theft and fraud. ***PICTURE: ALAN TAYLOR***

Boesak seeks split trial for himself and co-accused

(297)

Linda Ensor

08/8/97

CAPE TOWN — Former African National Congress Western Cape leader Allan Boesak gave notice in the Cape High Court yesterday that he wished to apply for his trial to be separated from that of his co-accused on the grounds that he might be prejudiced by a joint trial.

However, as his co-accused, former Foundation for Peace and Justice bookkeeper Freddie Steenkamp, was not able to indicate the nature of his plea, Judge Gerald Friedman postponed the hearing to September 15.

Boesak's legal counsel, Mike Maritz, explained that in terms of the law, a separation of trials was automatic where two accused persons entered different pleas. However, if Steenkamp pleaded not guilty, then Boesak, who also intended to plead not guilty, would apply for the trials to be separated to avoid being prejudiced.

With the agreement of the prosecution, the judge scrapped one condition of Boesak's bail; that he report every Sunday to a police station in Cape Town or Pretoria. The other conditions, that he refrain from interfering with state witnesses and appear in court, were not amended.

Boesak and Steenkamp have been charged with 31 and 32 counts of fraud and theft while working for the donor-funded foundation.They are alleged to have enriched themselves by more than R1m each.

30 weekend

RDP to aid builders to develop

7/8/97

297

By Coudjoe Amankwaa

UNDER a successful Reconstruction and Development Programme, the building industry could grow from the current investment level of R17,4 billion a year to R28,3 billion by the year 2000.

Speaking during the official opening of the Afribuild '97 exhibition at the Gallagher Estate in Midrand this week, the exhibition manager, Nigel Walker, said the building industry, if given a chance to grow, could develop into a gigantic sector where the informal sector could expand and create jobs.

The building industry, said Walker, was currently providing about 540 000 jobs to black people. About 203 000 of this number were in the informal sector.

He hailed this achievement as a step in the right direction to minimise the unemployment problems facing South Africa.

"The exhibition is an ideal platform for joint ventures, alliances and skills transfer between the formal building industry and the so-called informal sector", he said.

Walker said the new look Afribuild '97 – a business-to-business exhibition for construction, building and related industries, is dedicated to housing in the country.

The five-day TML Reed-organised exhibition, which started on Tuesday and ends today, is attended by 200 industry representatives.

Walker said: "While the building and construction industry in South Africa is currently in turmoil, long-term prospects are highly encouraging."

He attributed the present low level of confidence in the industry to factors such as the general climate of political and economic uncertainty in the country.

'Maputo corridor can lessen poverty'

(297) [redacted] [redacted]

MATT GETZ

Maputo — The Maputo corridor's use of private-public partnerships would make it effective in reducing poverty and lifting development, Junaid Ahmad, the World Bank's deputy chief resident, and a senior economist in South Africa, said last week.

"The corridor must be seen as a means to an end, and that end is poverty alleviation," he said.

The corridor could achieve that aim through involving the private sector in infrastructural projects, as was happening around the world.

"Bringing the private sector in allows you to gain efficiency and to get the best deal possible. It also shows if government's idea is a good one," he said.

Road, port and railway sections of the corridor are being built either wholly, or in part, by the private sector.

Ahmad said the participation of the private sector would help the government to broaden ownership, which was particularly important in the local context.

CT (BL) 7/8/97

It's time to end state neglect of women

M+G 8-14/8/97

(297)

Joanne Fedler

Since South Africa put August 9 on its books as a day in which the whole population can take a day off, go on a picnic, a frolic in the park or host a braaivleis, there have been many achievements.

The South African government has been very busy since 1994. The president's writing hand must be cramped by now — he has signed and ratified so many documents that enshrine women's equality and rights.

South Africa's equality clause in the Constitution is one of the most progressive worldwide. The South African Law commission has recently published a draft Bill on domestic violence which, if passed, would be one of the most far-reaching pieces of legislation on the books.

We have a Termination of Pregnancy Act which allows a woman to terminate an unwanted pregnancy. Marie Stopes Clinics advertise terminations with free abandon on bus shelters and public garbage cans.

The Department of Justice has published a gender policy which promises and promises and promises some form of justice to women.

"National machinery" with the word gender thrown in at every possible opportunity has been set up to deal with "the girls" (as if gender is synonymous with women and men do not have a gender).

We are, for all intents and purposes, a deeply gender-sensitive country with progressive gender politics. We are really a Snac — a Sensitive New Age Country. It would appear as if there is much to celebrate.

But many women on National Women's Day will not celebrate beyond having the obligatory boerewors roll. We are tired of hailing documents and constitutions and international commitments as the benchmark of what we have achieved.

South African women are in a state of mourning because no matter what commitments the government undertakes (and it has undertaken many), women and children continue to be raped, assaulted and murdered. It is almost as if the rate of violence against women and children has been inversely proportional to the democratisation of our society and the commitment to gender-sensitive policies.

Our legal system is rotten to the core, staffed with inefficient and overworked civil servants, who blame the system when whoops!, another real criminal slips through the loopholes and another little corpse finds its lonely way to the mortuary.

Magistrates and judges continue to hand down judgments in femicide, rape and battery cases which are comical in their misogyny. Seemingly these days, the legal system is softer on paedophile murderers than on tax-evaders. Or traffic fine defaulters. No wonder we easily slide back into our old evil ways and fondly remember the days of the death penalty when rights were not only the valued birthright of rapists and child molesters.

In this context, what can National Women's Day mean for our society? I would like this day to be something more than a platform for politicians to recommit to everything they have already committed themselves to.

If we have a moment to revive the integrity of the history of the day in which women took to the streets to protest against the pass laws, we may recover something of what we have lost.

On this day, women marched to the Union Buildings, showing their force and strength in numbers. Women claimed their right to be free from the oppression of the pass laws which would restrict their movements and break up their families. They did not wait for liberation to rain down on them like manna. They demanded.

In a matter of months, political parties will be canvassing votes and shmoozing with us mortals to ensure our little X marks their spot for the 1999 elections. It's time that women showed our strength in numbers and refused to vote for parties that do not commit themselves to ending violence against women and children — with concrete plans of action and budgets to match.

We want education in schools to ensure our youths grow up with a deep sense of the right to bodily integrity. We want judgments that put an unequivocal end to the free reign of the batterers, rapists and murderers.

To PAGE 28

WATHINT' ABAFAZI

We salute the role of women in the struggle and ask you to celebrate the launch of four stories from the community of Zwelethemba in Worcester:

This is my life by Mirriam Moleleki
My storie loop so by Nongeteni Mfengu
Not the end of the world by Nothemba Ngcwecwe
Umzabalazo by Neliswa Mroxisa

Available from selected booksellers or
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Tel: 021-471-368
Fax: 021-448-8662

Time to end state neglect

(297)

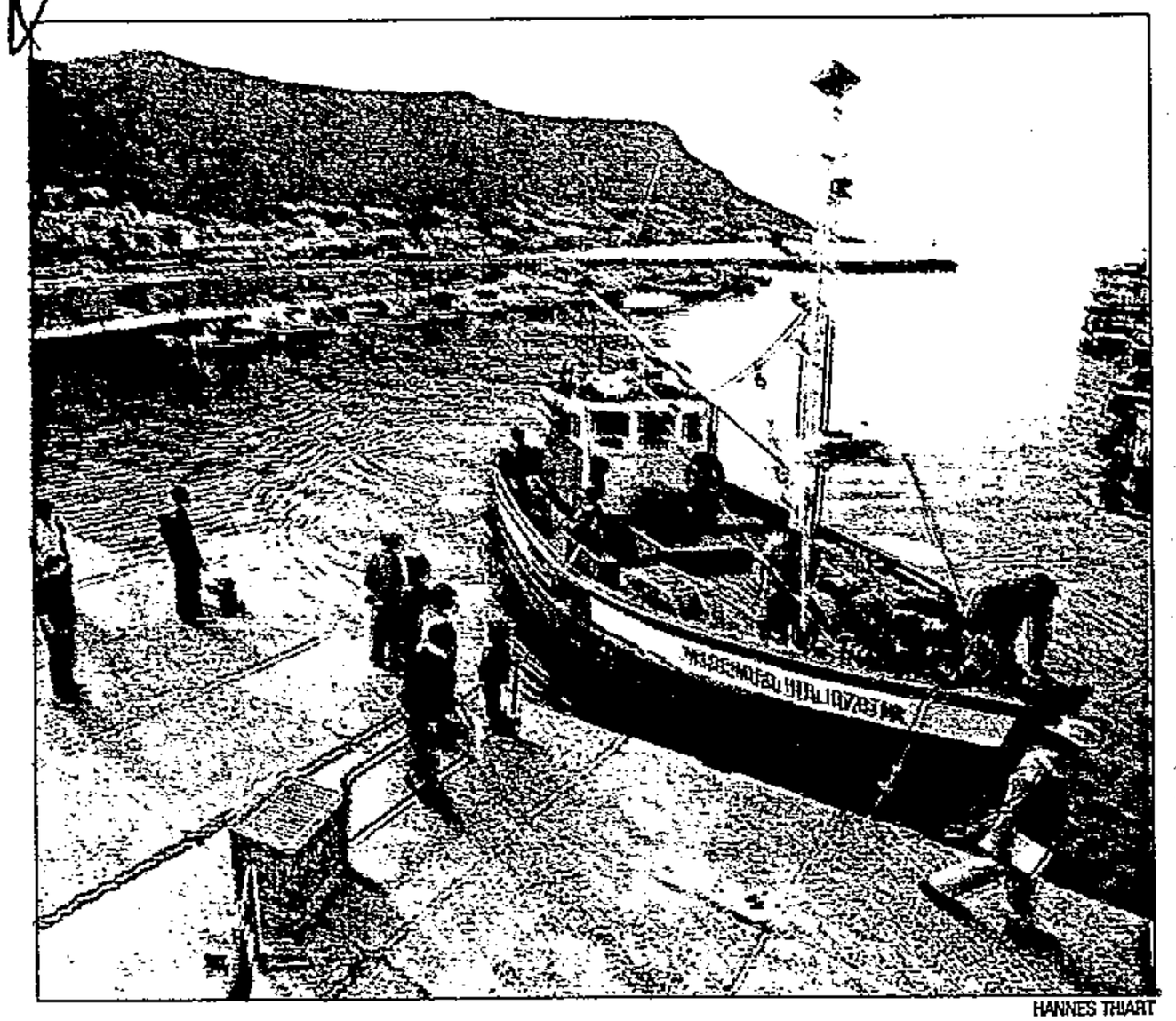
From PAGE 26

M+G 8-14/8/97

We want state-funded shelters. We want an efficient maintenance system. We want to celebrate National Women's Day our way — free from all forms of violence.

It is time that the government recognised that unless it acts to end violence against women, the only "national machinery" that will work is state-funded AK-47s for women, so that we can protect what the government has promised it will protect.

Joanne Fedler is director of the Tshwaranang Legal Advocacy Centre



HANNES THIART

Calm waters? Kalk Bay Harbour is in line for an R84-million upgrade by Japanese interests. Slipways

'Where do we fit in to plan?'

STAFF REPORTER

The Kalk Bay harbour community says it has nothing against the development of the area, but people are worried about where they fit in.

Edwin "Eddie" Roslind, owner of Kalky's Fish and Chips, said the Japanese proposal was "too vague" and the investors were not saying what they wanted out of the investment.

Mr Roslind, who supplies 80% of the bait to the small boats operating from Kalk Bay, was worried about the construction of a new building and wondered if there was room for Kalky's.

The proposal mentioned changing the size of the slipway, but "all we asked for was the repair of the rails of the slipway. Its location and size are perfect." Mr Roslind said the proposal omitted the siting and mooring of boats.

The Japanese took over by buying into fishing industries, said fourth-generation fisherman M E "Kapietie" Manuel.

He said South Africa was the last battlefield for fish.

"We know that the harbour is running at a loss but there is enough money in the country and we can sustain it ourselves."



'Too vague': Kalky's owner Eddie Roslind



History: fisherman 'Kapietie' Manuel

Japanese lifeline for fishermen

R84-m harbour plan promises Kalk Bay boom

PETER GOOSEN
City Desk

Cash-strapped Kalk Bay harbour has been offered a R84-million makeover by a Japanese consortium – which could double the harbour's size.

But the big question – will the Japanese want to use the harbour for their fleet of tunny catchers that operate off South Africa? – remains unanswered.

The Japanese offer has been made to the "owners" of the harbour, the Department of Sea Fisheries.

Announcing it, the chairman of the reconstituted Kalk Bay Development Steering Committee, Neville Riley, said the "no-strings" proposal, which had been exhaustively researched by the Japanese, would be financed through the Japanese government as an aid project.

The Japanese saw the proposal as a prototype of a new type of fisheries development for the small business sector.

The key to the plan is combining a market with tourism, to use the limited fisheries resource more effectively, to create new jobs and develop a commercial outlet to take advantage of Kalk Bay's proximity to sightseeing spots.

The plan includes new and improved port and maintenance facilities and aims to attract customers for the sale of fish and fish products and help to build a self-reliant community.

The project, which will more than double the size of the harbour, will include moving the badly-positioned slipways, making access for vehicles to repair larger vessels more practical.

The preliminary Japanese study says that because of the shortage of land and a lack of an entrepreneurial fishing factory, Kalk Bay has barely sufficient service facilities for local fishing activities.

Without ice-making plant or cold storage, fishermen are obliged to sell their catch directly off the boat to quayside buyers.

Making the announcement at a meeting of South Peninsula's urban planning committee, Mr Riley said there were still many unanswered questions.

But a meeting on Wednesday would include the Kalk Bay Steering Committee, Sea Fisheries and representatives of the Japanese trading house.

A big question over the scheme – and the first that locals will ask – is whether the Japanese will use Kalk Bay for their tunny catchers. The answer is not clear.

The plan, which Mr Riley said was only a working document and not finalised, shows an extension to the eastern breakwater, a shortened north breakwater and an extra north breakwater.

The slipways would be moved offshore and an access road to the slipways opened.

Port facilities would include an auction hall, ice plant, cold storage and boat ramp.

New community facilities would include a multi-purpose hall, meeting-rooms, a clinic, a training-room and a gym. Commercial facilities would include a fish market, restaurants, souvenir shops and a centre for False Bay cruises.

PEOPLE'S PARLIAMENT



CLIVE SAWYER

Nothing left to chance with Lotteries Bill

(297)

ARG 8/8/97

Luwellyn Landers' committee on gambling and lotteries legislation has spewed out a series of amendments to the Lotteries Bill more generous than most payouts to punters.

The committee's amendments, tabled in Parliament yesterday, run to 36 pages in the English version. The original bill provided for the establishment of a National Lotteries Board representing national government, the private sector and local governments.

It provided for the appointment of a corporate body to run a national lottery, the proceeds of which would go in part to reconstruction and development, as well as charities, sport, recreation, arts and culture and the national heritage.

The bill also made provision for small and private lotteries and society lotteries, as well as a national sports pool.

Mr Landers' committee clarified many of the defintions in the bill, rewrote the section on the composition of the board, and inserted a clause barring any Department of Trade and Industry employee involved with the board, as well as board members and their families and business associates from getting involved in the national lottery or sports pool - even for up to 12 months after leaving the board.

The committee put in a new clause requiring the board to present an annual audit report to Parliament, and rewrote other clauses, including those on conditions of licences, and on small and private lotteries.

Critical dialogue

Foreign Minister Alfred Nzo has defended South Africa's abstention from a recent United Nations Commission on Human Rights vote condemning human rights abuses in Iran.

Iran has stood accused in official UN reports of suppression of religious freedom, violations of freedom of expression and the press, oppression of women, and has been condemned for its role in calling for the murder of author Salman Rushdie.

Mr Nzo said the Government acknowledged that various human rights abuses needed to be addressed in Iran.

"However, the Government remains convinced that frank dialogue and, where necessary, expressions of disapproval are the best way of supporting the positive trends identified by the special representative," he said.

South Africa's approach had been vindicated by the overwhelming support given to President Khatami in the recent election.

SA envoy is Boesak's mystery legal fundraiser

(297) Star 9/8/97

By ADELE BALETA

Cape Town – Franklin Sonn, South Africa's ambassador to the United States, has disclosed he played a major role in rallying financial support to pay for Allan Boesak's legal defence.

Sonn lobbied support from South African businesses and from the ANC to ensure top senior counsel for the defence of the beleaguered cleric, who is facing fraud and theft charges involving R9-million.

The bill for senior counsel could be close to R1-million if the trial lasts at least six months, as has been widely predicted. Sonn's crucial role in getting financial backing solves the mystery of who organised payment for senior Pretoria advocate Mike Maritz, who will defend Boesak in the Cape High Court on 32 charges next month.

Sonn's disclosure that he was involved in obtaining financial backing for Boesak's defence comes after Justice Minister Dullah Omar's controversial support for Boesak when he returned to South Africa in March to face trial.

Boesak, Omar and Sonn were close political allies in the Western Cape during the struggle against apartheid.

Maritz helped to defend former defence minister Magnus Malan and 19 others recently. Maritz was reported to have charged R6 000 a day for court appearances and R600 an hour for consultations. His final bill for his part in securing the acquittal of all the accused was R881 387.

Until Maritz was appointed, the allegedly penniless Boesak had been assigned junior counsel and an attorney by the Legal Aid Board – a publicly funded body which provides legal counsel free of charge.

It had refused Boesak's request for senior counsel. Boesak, the former Western Cape economic affairs MEC and ambassador-designate to the UN in Geneva, faces charges in connection with the alleged misuse of anti-apartheid funding – allegedly committed while he headed the now defunct Foundation for Peace and Justice. Although Sonn could not give specific details on the financial backers, he confirmed he had appealed for help on behalf of Boesak to ensure he received the appropriate defence. Boesak spent more than a year in the United States before returning to South Africa to face charges.

Speaking from Washington, Sonn said: "When Allan was here, I was the ambassador here and he was a South African citizen in great distress.

"He was a comrade in the struggle and has been a comrade of mine for many years. I believe he made a wonderful and courageous contribution to South Africa."

Sonn said it was for these reasons that he had "made it my business to support him over the time that he was being charged and when he had to go back to South Africa.

"Moreover, I made it my business to draw the attention of our Government to his case and to express the belief that he should be given the support of the ANC, not the Government.

"Other than that, I also indicated to business friends of mine that the only way the Boesak case could be laid to rest is if there is a fair trial. This cannot occur if he is not properly represented.

"The case could have been handled badly in South Africa and I wanted to ensure that he is given the best possible representation so that the judicial process can occur in an open, fair and just way." Sonn added: "A lot of people at the time stepped forward and said they would help. I did not solicit individual help, but did it as a general appeal."



FRANKLIN SONN: Sought aid for fraud-accused cleric

Referring to the Legal Aid Board's assistance to Boesak, Sonn said: "He had a volunteer helper. He did not have representation of the kind that he needed.

"Still, Allan Boesak has not been found guilty of anything. Too many people are in a hurry to convict him before he has been convicted.

"The least that can be done for anyone, even if they are the enemy, is to wait until they have been convicted before finding them guilty."

He said "people too quickly forget what he did. We must remember his contribution (to the struggle). It's a tragedy that he is being charged in this way."

An ANC spokesman said Boesak was entitled to be defended by whomever he chose.

Maritz has refused to divulge who is paying Boesak's bill.

On Monday, Boesak applied for his fraud and theft trial to be heard separately from that of co-accused, former foundation bookkeeper Freddie Steenkamp.

The trial in the Cape High Court was postponed to September 15, when the court will hear Boesak's application for a separate trial.

Boesak was accompanied to court by his wife Elna and a small group of supporters. He and Steenkamp were not asked to plead. An application by Boesak to amend his bail conditions so that he no longer has to report to the police was granted.

N4 tollroad will pull in Maputo corridor investment

(297) CT(BR) 12/8/97

MATT GETZ

Johannesburg — Investors are keen to be involved with the Maputo corridor projects, but they need to see things happening and definite prospects of good returns, asset managers said last week.

"A lot of projects will piggyback on the success of others. The major projects have to work," said Armin Diem, the general manager of Appleton Fund Managers. "Otherwise, the others won't get off the ground."

But Diem hastened to add he was confident about many of the component projects, in particular transport and tourism.

The new N4 tollroad, which will be built by the Trans-Africa Consortium of Stocks & Stocks, Basil Read and Bouygues on a build, operate and transfer basis, seems certain to attract the lion's share of potential investment.

Societe Generale-Frankel Pollak released a report on the road two weeks ago that was generally favourable, saying the road should be worth about R4 billion over 30 years. Other transport projects include upgrading the railway, the port and airport at Maputo, which are intended to be privatised.

"The N4 tollroad will be viable," said Diem. "Companies will benefit and people will use it. It will be jacked up, with a double carriageway and service stations, so more truckers will use it.

"The (Maputo) port has to get in shape, but we feel the transport route is viable because of its proximity to Gauteng."

Willi Jonker, the executive director of portfolio management at Norwich Investments, was also supportive of the tollroad. His company had been a part of one of the bidding consortiums.

Jonker said the structure of investment would be important. "The best way would be to do it like property, where the yield is lower than fixed-income yields at first but later grows."

Norwich is excited about the corridor and its place in the context of African development. "We are optimistic about the African renaissance, a bit more so than others. It's not just talk," Jonker said.

But the enthusiasm is not shared by everyone. Mark Murning, the general manager of Genbel Investments' treasury, believes the only part of the corridor which would offer real value would be the road.

But Murning said Genbel would probably only be involved in underwriting, risk and debt management.

He saw Mozal, Alusaf's aluminium smelter which needs $250 million in equity, as an unworthwhile project. More enthusiastic investors had reservations about it, too.

Norwich's Jonker said his company would probably stay away from it, because taking an equity stake would probably require practical involvement, and Norwich did not have the necessary expertise. He said a more suitable partner would be a resource financier.

A more fundamental problem was raised by Appleton's Diem: what will the returns be? "Mozal is viable — Billiton and the IDC have done their studies — but the question is, will it deliver the highest returns for that kind of project?

"Is it better than Hillside (Alusaf's Richards Bay smelter) or anything else? We don't know the answer. It certainly won't be a white elephant."

Most managers think tourism development will be successful, especially the extension of the Kruger National Park and the development of Mozambique islands, but they tend to be "small money, easily catered for and taken up", Diem said. "But tourism is definitely viable; there's the old calling to LM, and all that."

But the question of projected returns, in the corridor and other spatial development initiatives (SDIs), is never far from investors' minds. "The basic issue with SDIs is that private investors look for returns," said Dave Flynn, an investment analyst at Old Mutual.

"It's fine to uplift people, but unless the returns are there they won't come in. That is the major question: are the returns there?"

SA, Holland sign memo

(297) Sowetan 13/8/97

SOUTH Africa and The Netherlands yesterday signed a memorandum of understanding providing for, among other things, an exchange of technology and expertise in the social welfare sector.

Signing the memorandum with her Dutch counterpart Erica Terpstra in Pretoria, Welfare Minister Mrs Geraldine Fraser-Moleketi said the occasion was preceded by extensive government-to-government talks over the past two years.

Moleketi said the Dutch people had been one of the international communities at the forefront of the anti-apartheid drive.

The memorandum encourages co-operation between social welfare training institutions through the granting of scholarships and exchange programmes, and the transfer of information on welfare policies and legislation. – *Sapa.*

Welfare's poverty relief application 'vague'

(297)

David Greybe

CAPE TOWN — The welfare department yesterday briefed Parliament's welfare committee on its application for a once-off R100m for poverty relief, but immediately came under fire from committee members for the application's vagueness.

Welfare's application for R100m resulted from an announcement by Finance Minister Trevor Manuel in his budget speech earlier this year, in which he set aside R300m for "poverty alleviation ... with specific focus on rural areas and women".

The department's application was criticised by MPs from all political parties for its lack of focus, vagueness, neglect of the elderly and the fact that a once-off grant would result in some projects "drying up" after six months due to lack of funds.

Welfare's social development chief director Graeme Bloch conceded that the department would "probably" get a lot less than R100m — maybe only R25m — because other departments with established poverty relief programmes such as water affairs and forestry and public works were also applying.

Bloch said because the money constituted a once-off grant and had to be spent "very fast", the department did not intend spending money on new programmes which created "whole new structures", but on smaller "developmental" projects.

The department planned to focus on women with young children in rural areas, as well as the so-called urban survivalist sector — women working on street corners accompanied by their children.

Bloch said welfare proposed to spend the R100m "to enhance three different delivery options": provincial programme financing structures (R50m); nongovernmental organisations (R30m); and welfare organisations operating under the ambit of national councils (R20m).

BD 15/8/97

N Thursday August 14 1997

NEWS

Welfare thieves told to leave

(297)

Sowetan 14/8/97

By Coudjoe Amankwaa

THE Gauteng department of welfare and population development this week dismissed 13 officials after finding them guilty at a disciplinary hearing of pension-fund fraud.

Department spokeswoman Ms Samantha Johnson said: "There were six officials from Heidelburg and seven from Benoni." An official at the department's Newgate House office in Johannesburg was also suspended when it was found he had falsified medical certificates for "so-called disabled people".

Another official was arrested last week for allegedly falsifying medical certificates for himself and other "disabled people".

Johnson said the department would take disciplinary action against 10 officials of the Germiston welfare office in connection with 150 cases of fraud and theft. "Large amounts of money are involved in all the above cases," she said.

MEC for welfare Mr Ignatius Jacobs said: "The department is serious about curbing fraud and will act drastically. We cannot afford to lose millions of rands to unscrupulous officials who collect pensions of deceased pensioners, or who falsify medical certificates," he said.

Govt plans to do away with schools for disabled

(297) (900) CT 14/8/97

PRETORIA: The future of South Africa's 324 specialised schools is in the balance as sweeping changes are envisaged to education for children with disabilities.

A document outlining the proposal to include children with disabilities in mainstream schools was released for public debate yesterday.

This process, called inclusion, is an international trend, said the chairperson of the commission appointed to look into the project, Professor Sandy Lazarus.

Not all specialised schools would close because the department would still have to accommodate children with severe disabilities who would be unable to cope in ordinary schools.

The provinces would have to decide what to do with specialised schools which were not needed, she said.

According to the commission, only two percent of children with special education needs are catered for, in spite of four to seven percent of provincial education budgets being spent on them.

Inclusion has been hotly debated, with those for and against it more or less divided along colour lines.

It is mainly historically advantaged groups that are opposed to inclusion.

Specialised schools say inclusion could expose disabled children to ridicule by their peers and that mainstream schools lack the occupational therapists, speech therapists, physiotherapists and psychologists handicapped children need.

But the commission is concerned about the thousands of disabled children who are not receiving specialised education — or any education.

"There must be equitable distribution of resources and redress."

The department would not be able to afford to have specialised schools for all the disabled children in the country.

According to the discussion document, the Education Department hopes to implement the proposal by 2010.

About 10 to12% of children are disabled, according to international statistics, Lazarus said.

Written submissions in response to the discussion document should be sent to: The Secretariat, NCSNET/NCESS, Education Policy Unit, University of the Western Cape, Private Bag X17, Bellville, 7535. The unit can be contacted at (021) 959-3344. — Own Correspondent

ABSOLUTE

Talks on Lotteries Bill amendments

Janet Parker

BD 15/8/97 (297)

URGENT discussions over last-minute amendments to the Lotteries Bill are taking place between the sales promotions industries and the trade and industry department before the current draft of the bill goes to Parliament next week.

The amendments could spell the difference between legislation which allows for coexistence between the national lottery and the marketing, promotions and advertising industries, or that which effectively handcuffs the sales promotion industry and unfairly discriminates against certain companies.

Marketing representative bodies such as the Association of Marketers have been actively lobbying the ad hoc gambling and lotteries legislation committee, whose initial draft legislation would have rendered a number of sales promotions — particularly the popular sales competitions — illegal, thereby spelling disaster for the marketing fraternity.

Association executive director Derrick Dickens said as the bill's main function was to establish and protect a national lottery, "no consideration was given to the ripple effect on sales promotions activities".

Subsequent submissions by the association and other interest groups to the committee succeeded in ensuring sales promotion activities were not made illegal. However, the association, on behalf of the industry and its members, was "concerned" over a number of problems with the wording of the provisions made in the legislation. Dickens said they "show a lack of understanding by the drafters of the vastness and variation of sales promotion activities".

The association's submissions were tendered by Spoor & Fisher attorney Byron Angelopulo and Bisset Boehmke & McBlain attorney Joe Louw.

Louw outlined ways in which the legislation could discriminate unfairly against certain companies. They included:

- For companies promoting products, the maximum value cap of R1m would apply equally to a company which dealt in one product and another which dealt in several, therefore a company with 40 brands would have to apply the maximum value across all 40, while the company with one brand could apply the full amount to that one brand alone;
- The legislation would have a severe impact on the consumer's right to choose and would complicate the conduct of sales-promotion competitions; and
- Joint promotions would be unlawful. Therefore a competition which related to breakfast cereal but where the prize was awarded by the manufacturer of a brand of motor car, would be illegal.

Boesak: Legal Aid to pull out?

297

ARGT 16/8/97

PIETER MALAN

The legal defence team for controversial cleric Allan Boesak, former Western Cape leader of the African National Congress, may have suffered a major setback with reports that the Legal Aid Board has withdrawn its funding for his defence.

Dr Boesak's attorney Chris Petty declined to comment on reports that the Board had withdrawn its financial assistance to his client, saying the board had not yet "officially notified" him of their decision.

"I will speak to you when the time is right ... that is if and when I am finally informed of the Board's decision," Mr Petty said.

Apparently the Legal Aid Board revoked its funding for the Boesak trial at a board meeting on Monday on the grounds that the board would not pay for his defence "jointly".

Last week Saturday Argus revealed that Franklin Sonn, South African Ambassador to the United States, had played a major role in lobbying support to pay for Dr Boesak's legal defence team – over and above the financial aid he was receiving from the Legal Aid Board.

The assistance organised by Mr Sonn allowed Dr Boesak to acquire the services of senior Pretoria counsel Mike Maritz who earlier successfully defended former defence minister Magnus Malan during the KwaMakutha murder trial.

It also follows a decision by the Legal Aid Board earlier this year that they would pay for junior counsel and an attorney – but not senior counsel – for the Boesak trial.

This decision was severely criticised after it became known that Dr Boesak was allowed to select his own attorneys – Pretoria-based Stegmans – and not accept an attorney assigned to the case by the Board, as is the usual practice.

Dr Boesak faces 32 charges in connection with the alleged misuse of anti-apartheid funding, totalling more than R1 million. The misuse of funds allegedly occurred while he headed the now-defunct Foundation for Peace and Justice (FPJ). After Dr Boesak appeared briefly in the Cape High Court earlier this month, the case was postponed to September 15 when the Court will hear Dr Boesak's application that his trial be separated from that of his co-accused and former FPJ bookkeeper Ferdie Steenkamp.

Paul Setsetse, spokesman for Justice Minister Dullah Omar, said the Legal Aid Board was an independent body, using its own criteria when deciding whether or not to grant assistance, and that the Minister would not interfere with their decision.

R400-m pension scam

ARLT 19/8/97 (297)

State exposes thousands of 'ghosts' and duplicate claims

POLITICAL STAFF

The Department of Welfare has exposed a colossal pension fraud which has been costing taxpayers almost R400-million a year in payments to "ghost" pensioners.

A department spokesman confirmed that in the past 18 months it had detected social pensions were still being paid each month in the names of nearly 76 000 pensioners who had already died.

The fraud includes duplicate pensioners – people who were collecting more than one social pension because of the chaotic apartheid-era financial records.

Projections show that in total "ghosts" and "duplicates" were being paid almost R400-million a year unlawfully.

In the first half of this year, 16 216 "ghosts", and "duplicates" were detected and their names deleted from the newly computerised social pension (Socpen) system, the spokesman said.

This alone had saved an estimated R96-million. Last year 46 000 "ghosts" and "duplicates" were detected, resulting in an estimated saving of R240-million.

Cleaning up the Socpen system is a joint operation by the Department of Welfare and the Department of Home Affairs.

The operation involves tracing deceased beneficiaries on the population register in whose names social grants are still being paid, and pinpointing names of people who have registered more than once.

Officials say amalgamation of the 14 separate pension systems that existed under apartheid, and the establishment of a computerised single system, have helped them expose the fraud.

"Ghost" and "duplicate" pensioners have existed for years and the problem had become chronic by the time the apartheid system was abandoned and a consolidated national register was introduced.

On April 15 this year, 16 216 "ghost" pensioners were expunged from the new system. This meant a saving of R13 945 760 to the end of June, when the value of a monthly grant was R430, and R45 729 120 between July and December, because grants had risen to R470.

On June 30 a further 12 931 records were cancelled, saving R59 674 880.

Last year about 26 000 "duplicates" were picked up, saving a projected R134-million annually.

There are about 3-million recipients of social pensions in South Africa.

It's war as attack on poverty launched

Star 21/8/97

The fight against poverty in South Africa will move into high gear today with the launch of the War on Poverty campaign in Cape Town.

The project, unprecedented in the scope of organisations driving it, aims to focus energy and resources on poverty-relief programmes.

Organisations involved are the NGO Coalition, the Department of Welfare, the Congress of SA Trade Unions, the SA Council of Churches, the Homeless People's Federation and the UN Development Programme.

One of the campaign's initiators – the Welfare Department's chief director of social development Graeme Bloch – says the campaign will focus the nation on fighting poverty.

"We want to make poverty the number one agenda item. If it is relieved it will enable us to live together as a more peaceful and prosperous society," he said.

The campaign will also highlight issues that arose when President Mandela committed South Africa to eradicating absolute poverty at the World Summit for Social development in Copenhagen in March 1995. – Staff Reporter

(Sept) 297

NEWS POLITICS

SACC declares war on poverty

(297)

Sowetan 21/8/97

By Oupa Ngwenya

THE South African Council of Churches will along with its partners, sign a document today declaring war on poverty.

Its partners include the Ministry of Social Welfare and Pensions, the South African NGO Coalition, the Congress of South African Trade Unions, the Homeless People's Federation and the United Nations Development Programme.

The signing ceremony, in Khayelitsha, Cape Town, will mark the first in a series of activities organised by partners to take the campaign forward.

The alliance provides a framework for partners to focus their ongoing work as well as to launch new initiatives.

The declaration ranks poverty and inequality as South Africa's most important priorities. It says their eradication is essential to consolidate democracy.

It also notes that South Africa is "today burdened with unacceptable levels of inequality between rich and poor" and that many people live below the breadline, and are exposed to persistent hunger, disease, illiteracy, unemployment and hopelessness.

While conceding that much has been achieved through the commitment of the Reconstruction and Development Programme (RDP) to address basic needs, it says there is still long way to go.

Globally, the document says campaigns against poverty will need to be responsive to both opportunities and dangers presented. Necessary steps include fighting unemployment and landlessness, increasing credit access for the poor and encouraging small-scale production and entrepreneurship in the formal and informal sectors.

Government strategies must sustain wealth distribution through coordinated cross-sectoral programmes and infrastructural development.

Fighting the war against poverty

Sowetan 21/8/97

(297)

Women and children in rural areas are the worst hit

By Joe Mdhlela

NOW THAT apartheid has been defeated and democracy is the order of the day, the South African Council of Churches (SACC) is focusing its attention on combating poverty.

As it did in the past, when the SACC mobilised churches and other institutions in the war against apartheid, the SACC is now addressing poverty together with other important community needs.

These include the South African Non-Governmental Organisations' Coalition, the Homeless People's Federation, the United Nations Development Programme, the Congress of South African Trade Unions and the Department of Welfare and Population Development.

In an interview with *Sowetan* this week, the head of the Development Ministries of the SACC, Dr Mongezi Guma, said the church had once again to take up the war against poverty as its priority cause.

But to achieve its objective of eradicating poverty, Guma said, the SACC needed partners.

"It is not strange that the partners we are embracing are the same organisations that were vocal against apartheid and helped to defeat it," said Guma.

"Like the fight against apartheid, fighting the scourge of poverty needs commitment and we think with such movements as the trade unions, we cannot fail in our endeavour to better the lives of our people."

He said the church recognised the rampant poverty faced by South Africa's people as a threat to "our newly acquired democracy".

Survival

Almost one in four South Africans live on less than R5 a day, and 17 percent of the population is not expected to survive beyond the age of 40.

Only three percent of whites are not expected to reach 40, but the corresponding figure for blacks is a massive 18 percent.

The per capita income of the richest 20 percent in South Africa is 19 times that of the poorest 20 percent.

The real per capita Gross Domestic Product of the richest 20 percent is about R45 000. The corresponding figure of the poorest 20 percent, on the other hand, is just R2 500.

Guma said some sections of the community were so poor "they attended funeral services not because they sympathised with the bereaved families, but as a way of alleviating their hunger".

This might seem like a joke, "but it is shows what poverty is capable of doing – stripping a person's dignity and self-esteem".

"The war on poverty is South Africa's most important priority and our greatest challenge. Eradicating poverty is essential to consolidate the gains of our new democracy.

"It is a precondition for social justice, peace and security in our land."

Guma said apartheid was largely to blame. The policy of segregation had contributed to the poverty that was devastating the country, and had burdened the country with "a legacy of economic and social distress".

Describing poverty, Guma said it manifested itself in the lack of access to resources, a lack of income to make choices, and an inability to take advantage of opportunities.

"All of society needs to be involved in the struggle for social development.

"The very fabric of our society, the soul of our communities, needs to be rebuilt," he said.

Guma said poverty manifested itself mostly in the rural areas, and affected both women and children.



Dr Mongezi Guma ... the war against poverty must once again be the church's first priority.

PIC: LEN KUMALO

But he was confident that poverty could be eradicated through collective effort.

He said while the Government should have a role to play in the fight against poverty, communities should also take the responsibility to uplift themselves and help to end the scourge of poverty.

He said the church would continue to make the Government sensitive to the issues of poverty, and hoped to ensure that government policy addressed the alleviation of poverty "as a matter of priority".

He said the church would also encourage communities to engage in people-driven projects that would show that ordinary citizens were capable of empowering themselves without government intervention.

> **"It is time we lived up to our Christian convictions by helping those who are in need. By contributing towards the eradication of poverty, we will be showing solidarity with the less privileged"**

"People-centred strategies to fight poverty must directly involve the poor in finding solutions to their problems.

"The energy, creativity and assets of the poor are key human and social resources that will give people hope."

He argued that women, who understood poverty better as they usually managed the household, had an important role to play in alleviating the plight of the poor.

Invest in women

In line with the call by the Copenhagen Declaration drawn up at a United Nations conference on poverty in 1995, Guma said it was critical to invest in women.

He quoted from the declaration: "The most productive policies and investments are those that empower people to maximise their capacities, resources and opportunities."

But, he repeated, poverty can only be alleviated if all society's strue participate in the fight against the scourge.

"In that respect we will utilise our different institutions and organisations, separately and together, and seek partnerships and solutions that will better the lives of all South Africans," he said.

Some of the strategies that the SACC will employ in its fight against poverty include:

- Using publicity to focus the attention of the nation on the millions of people that go hungry on a daily basis;
- Encouraging local action and developing local programmes;
- Encouraging volunteers to mobilise and organise communities to engage in programmes to alleviate poverty;
- Focus government programmes and legislation on poverty;
- Build partnerships and coalitions; and
- Ensure that the voices of poor people are heard and not ignored;

Having declared August as the month of compassion, the SACC Ecumenical Commission on Poverty will also ask the nation to forgo a meal, "in order to give another a chance to live".

"It is time we lived up to our Christian convictions by helping those who are in need. By contributing towards the alleviation of poverty, we will be showing solidarity with the less privileged in our society."

He said proceeds from the "skip-a-meal" programme to give others a chance to live will go towards a fund that will help to alleviate poverty countrywide.

- The SACC will sign its declara-

3-m must reapply for pensions

ARG 21/8/97 (297)

POLITICAL STAFF

South Africa's 3 million pensioners will have to re-register because of colossal fraud and duplication uncovered in the system.

The re-registration will include pensioners and recipients of social grants in the Western Cape, who only recently had to re-register, officials confirmed today.

The exercise is expected to cost about R100-million and is to be spread over the next 18 months.

It will include the most rigorous and exhaustive search for "ghost" and "duplicate" pensioners yet undertaken in the country.

Earlier this week the Cape Argus revealed that 76 000 "ghost" and "duplicate" pensioners who had been receiving about R400-million a year illegally had been eliminated from a newly computerised national list of pensioners, after the consolidation of the 14 welfare departments that existed under apartheid.

But an investigation by the Department of Welfare has shown that the fraud inherited from the apartheid era is "vastly greater" than anyone had suspected and that the only way of eliminating it is to launch a completely new national re-registration exercise.

A department spokesman said today the re-registration could save taxpayers about R1-billion a year.

The old records of the 14 apartheid-era welfare systems were so inaccurate and incomplete that virtually every database used in drawing up the single national register of pensioners has proved to be unreliable.

In order to eliminate fraud and duplication, the department will be using new "data-mining" technology, which pinpoints suspect pension claims and continuously explores inconsistencies.

"The re-registration applies to all beneficiaries in the country," a spokesman said today.

"The department will take all the new information and compare it with existing files.

"Once these have been updated they will be checked with files from the Department of Home Affairs and we will then be in a good position to suspend beneficiaries who are not entitled to grants."

The spokesman warned that beneficiaries who do not turn up for re-registration will also be suspended.

The Cape Argus will keep readers informed of re-registration plans for the Western Cape.

War on poverty now official

(297)

ASHLEY SMITH
STAFF REPORTER

ARG 21/8/97

South Africans will formally declare war on poverty today with the signing of a declaration to eradicate hunger, disease, illiteracy, unemployment and homelessness.

Welfare Minister Geraldine Fraser-Moleketi, the Archbishop of Cape Town, Njongonkulu Ndungane, and representatives of the Congress of SA Trade Unions are among those who will sign the pledge in Khayelitsha.

It forms part of the War on Poverty campaign, which is backed by a wide range of government and non-government organisations.

Brian Sokutu, a spokesman for Ms Fraser-Moleketi, said the signing created an "atmosphere of collaboration" between the Government and NGOs.

"The most important message the declaration is getting across is that poverty alleviation is a challenge for all of us," he said.

Projects planned for later this year as part of the War on Poverty included Masakhane Week, the Cosatu jobs summit and an International Volunteers' Day.

NGO hearings were in the pipeline for next year covering poverty, government relief programmes, budget allocation and programmes around church land as a means to increase food production.

Organisations draw swords for all-out war on poverty

(297)

Star 22/8/97

STAFF REPORTER

The War on Poverty campaign, launched in Cape Town yesterday, is the first concerted effort by all sectors of society to focus the fight on poverty, said the Anglican Archbishop of Cape Town, the Most Rev Njongonkulu Ndungane.

"As representatives of the church, non-governmental organisations, trade unions, government and the international community, we are recognising today that each of us, on our own, will be unable to make an impact on this modern-day scourge," Ndungane said.

The campaign aims to focus South Africa's attention on poverty so that it becomes a national priority and encourages local development programmes.

Welfare Minister Geraldine Fraser-Moleketi said that this year had seen a shift in programme financing to more developmental social services, with the emphasis on community-based action and support.

She said the launch of a flagship programme earlier this year, benefiting unemployed women with children under 5, had resulted in programmes that provided education and training, linked to various economic-empowerment initiatives, in all provinces.

Fraser-Moleketi said steps to access a portion of the R300-million set aside for poverty alleviation by Finance Minister Trevor Manuel would encourage a range of small development programmes, especially among women in rural areas.

This would build on already existing projects and funding channels through the provinces and national councils, Fraser-Moleketi said after signing the historic war on poverty declaration.

Ndungane announced that a major summit would be held to put in place practical and sustainable strategies to eradicate poverty in southern Africa by 2006.

Apartheid-era trust is reborn to build new SA

ARG 22/8/97 (297)

CLIVE SAWYER
POLITICAL CORRESPONDENT

The Independent Development Trust is to be turned into a statutory agency responsible for implementing government development programmes.

Deputy Minster for Trade and Industry Phumzile Mlambo-Ngcuka said IDT trustees and the Cabinet sub-committee dealing with the establishment of a national development agency had agreed this on Wednesday.

It was agreed that the IDT would be transformed into an agency for implementing development programmes commissioned by the Government.

"The type of institution the Government has in mind would have the same degree of autonomy as the CSIR (the Council for Scientific and Industrial Research) and similar public-sector institutions," Ms Mlambo-Ngcuka said.

The announcement follows a long rethink over the role of the IDT, set up by the previous government seven years ago, but which always maintained a distance from its creator.

Since the 1994 elections, however, relations between the Government and the Trust, which reports to Parliament, have been considerably more cordial.

The Cape Town-based body employees about 100, and discussions about the IDT's future led to speculation that it would be headquartered in Pretoria in future.

The meeting this week between the Cabinet sub-committee and the trustees was the first official gathering on the transformation of the agency.

Clarity on the organisation's future is expected to emerge from further discussions.

Too few MPs for lotteries vote

ARG 22/8/97 (297)

CLIVE SAWYER
POLITICAL CORRESPONDENT

The National Assembly was unable to vote on a set of important bills on issues from the public service to a national lottery because there were too few MPs for a quorum.

Maybe the earlier Cabinet decision on MPs' salaries inspired members to leave for minor celebrations or perhaps to nurse their disappointments.

After all, their increases were below the year-on-year inflation rate since 1994 and the Cabinet decided that public representatives' annual salary increases from April next year would be one percent less than the Consumer Price Index. In other words, every year from now their salaries will in effect be cut.

There was a significant exodus from the House yesterday straight after the gruelling two-hour debate on the motions concerning Minister Penuell Maduna and his claims about Auditor-General Henri Kluever, leaving a much-reduced assembly to listen to debate on the Lotteries Bill.

One who stayed in the public gallery to listen was ex-National Party minister Chris Fismer.

Govt drafts lottery policy guidelines

BD 22/8/97

(297) 25/8/97

Jacob Dlamini

CAPE TOWN — Government was formulating clear policy guidelines on the social responsibilities of a national lottery, Trade and Industry Minister Alec Erwin said yesterday.

The draft document would contain policies to be used as the basis for all government decisions on the lottery, and would be released for public debate, Erwin said.

In an address during the National Assembly's second reading of the proposed Lotteries Bill, the trade and industry minister said lotteries were an important source of revenue and provided good entertainment for the participants.

The lottery would give both the private and the public sectors an important tool to help correct the injustices of the past, Erwin said.

He said government's decision to introduce a national lottery had come after thorough research to determine gambling policy.

One fundamental policy approach which had come out of the research was the need for a clear distinction between lotteries and other forms of gambling.

Erwin said it was commonly accepted that lotteries posed far less of a threat to individuals and communities than conventional gambling.

Government intended to use the national lottery to facilitate a responsible and voluntary form of fundraising. The lottery could also be used as an instrument of fair and involuntary distribution of wealth and for redressing past imbalances, Erwin said.

He said that preparing the ground for SA's first national lottery had been a slow process because government had to deal with high levels of illegal gambling.

The guidelines would deal with aspects such as planned measures to guard against possible negative effects of the lottery on communities, a responsible policy regarding the allocation of prizes, transparent and accountable distribution of money to good causes and the effective prevention of under-age gambling.

Inkatha Freedom Party spokesman Murilal Neerahoo welcomed the Lotteries Bill, but said it was not a perfect piece of legislation. The party felt it would be healthier if provinces were allowed to have their own lotteries to encourage competition.

Pan Africanist Congress spokesman Gora Ebrahim called for the price of lottery tickets to be affordable and for the jackpot prize to be restricted. Ibrahim said the PAC would support the bill on condition that the proceeds were used to finance delivery of government projects.

African Christian Democratic Party spokesman Louis Green refused to support the bill, saying it would impoverish the poor.

New breed of one-stop community centres

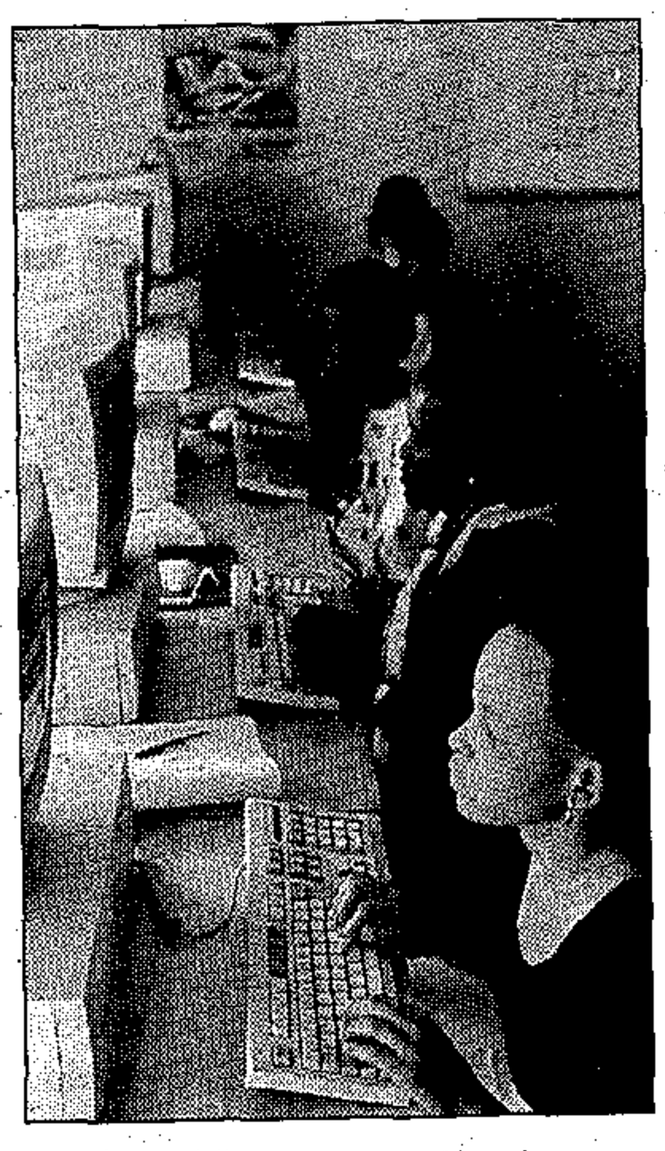
(297) M+G (BM) 27-28/8/97

Craig Bishop

Beyond the flea markets and street vendors, the Sandton cities and the hypermarket, a new breed of "shopping centre" is taking shape: multipurpose community centres — "one-stop development shopping malls" — promise to provide information-starved communities with free access to a wide range of services. In the heart of Alexandra, at Alexsan Resource Centre, that vision is being realised.

Alexsan director, Holly Lutton-Nel, is the force behind the success, but the community was involved from the outset. The centre, which has seen no money from the government, has become a symbol of pride, endeavour and self-reliance to locals.

It houses the only career-guidance office in the area, boasts a satellite clinic with fully trained medical staff, pension collection points, an Eskom paypoint and a computer training centre. Alexsan also houses the best-stocked library in Alexandra, with over 10 000 books in the reference and fiction sections, 6 000 children's books, seven computers, a Braille section and an adult literacy training arm.



Adult training: Alexsan's new breed of community centre.
PHOTO: HENNER FRANKENFELD

The centre is also home to the popular community radio station Alex FM, which reaches the whole community in Xhosa, Zulu, Sotho and English.

Alexsan provides a model for the community centre concept. Support for similar projects is growing, but Alexsan's success has not yet been replicated.

Lutton-Nel points to the serious lack of consultation and awareness in government departments, making Alexsan's survival precarious.

Five minutes down the road from Alexsan, R16-million is being poured into the construction of a new three-storey clinic and crisis centre that will provide numerous counselling offices and fire-fighting facilities.

While locals agree on the need for fire-fighting facilities, many are dismayed at so much money going to a new site when the money could be used to upgrade and sustain Alexsan.

"We would all rather see this Reconstruction and Development Programme (RDP) money being ploughed back into the community. There is no discussion about what is going on. Local government could channel some of that money to us who are desperate for funding," says Lutton-Nel.

She argues that the Eastern Metropolitan Sub Structure (EMSS) should pay for the basic maintenance costs of the centre, including staff salaries, library costs, as well as sports and recreation. Last financial year, Alexsan received R450 000 as grant-in-aid from the council. Now there are fears the money will not be forthcoming this year.

"I want to see a partnership between the government and the community as they have promised. If local government covers the basic costs, I can go out there and raise funding and donors. If we do not get this year's grant, we are in serious trouble."

With the EMSS budget estimated at R401-million for the 1997/98 financial year, there should not be a funding problem. But while government has agreed in principle to fund the centre — at least in the initial stages — there is disagreement over ownership and control.

Highlighting this dilemma, EMSS Councillor, Judy Stockhill, says that

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One-stop community centres

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Lutton-Nel's fears about continued government funding are justified, pointing to certain African National Congress ward councillors on the EMSS who continue to dig in their heels over funding.

The crisis over funding reflects the situation at large. The lack of capacity and co-operation between different departments leads to competition for resources, protection of vested interests and emphasis on control rather that co-ordination.

Hundreds of fledgling community centres were initiated in the 1980s and 1990s, but the lack of a coherent national development plan and the lack of co-operation between stakeholders is causing obstacles.

Ali Karaki, *director of Bridges, an information network that provides Africa is hanging on an edge and we must hurry.*

"If we don't get this information flowing, we are not going to make it. It is the balance between the stages of policy and delivery. Careful planning and policies are important but the longer we debate about the process, the less delivery on the ground — concepts will never be *translated into reality.*"

Karaki points to a R2,2-billion allocation to government departments for development. They have until the end of September to spend the money but Karaki stresses that this could lead to mismanagement and, in the worst scenario, "panic spending" that could result in "thousands of *white elephants*".

Karaki says several different government departments could club together to supply funds for initial, essential services in the centres.

"At the end of the day though, the vision is to see these centres self-sustaining. Small micro-enterprise housed under the roofs of multipurpose community centres will be the *sector that sustains* the centres. Growth in the entrepreneurial sector has enormous potential."

Firms urged: cut profits to aid development

BD 26/8/97 (297)

Nicola Jenvey

DURBAN — SA companies must adjust their profit margins from above 20% to below 10% of fees revenue to free up funds for further development, Durban metropolitan mayor Obed Mlaba said yesterday.

Speaking at an international surveyors' conference, Mlaba said the challenge facing technical professionals was the ability to deliver quality service with labour-intensive methods and consultancy fees that carried minimum profits.

He said addressing the past imbalances demanded spreading the wealth and not expecting "selfish profits" without a reciprocal increase in living conditions on the one hand and high salaries without productivity on the other.

SA's apartheid debt placed significant pressure on financial resources which would otherwise have been available to satisfy basic social needs such as housing.

"Unless everybody makes a conscious effort to grow the economy, it will become impossible to build proper houses. Individuals must be empowered economically to build their own houses and not expect government to provide everything," he said.

Land Affairs and Agriculture Minister Derek Hanekom said government's land policy placed the emphasis on the need for people to organise themselves around land reform.

Public hearing on new 'nonprofit' laws to be held in October

BD 29/8/97 (297)

David Greybe

CAPE TOWN — Public hearings will be held in October on new legislation to regulate nongovernmental organisations (NGOs) on a voluntary basis and to remove apartheid era restrictions on their freedom of association and fundraising.

The welfare department briefed Parliament's welfare committee yesterday on the Not-for-Profit Organisations Bill, which has been approved by cabinet, and is currently with the state law adviser for scrutiny. It will then go to the welfare committee which plans to hold public hearings in early October.

Under the new legislation, NGOs will be referred to as not-for-profit organisations.

Briefing the committee yesterday, the welfare department's social development chief director Graeme Bloch said the department was aware the draft legislation "will not do everything" to solve NGOs' problems. However, the bill provided a platform to take unresolved issues, such as tax concessions, further within government.

The department also did not want "to write something too complicated at this stage".

Bloch said there were no reliable figures for the number of NGOs in SA, with estimates ranging "anything from 6 000 up to 50 000".

The SA Institute of Race Relations welcomed the proposed legislation, and said it "should usher in a new era of freedom for NGOs and a strengthened civil society".

The institute said the Not-for-Profit Organisations Bill replaced an earlier, "draconian", version defeated by NGOs last year.

The bill will replace sections of the Fundraising Act such as compulsory registration of organisations wishing to raise funds from the public. Registration will become voluntary.

The institute said that officials would be unable to refuse registration on subjective grounds, as in the past, and obliged to provide advice and assistance to organisations requiring it.

According to a welfare department submission to the committee, donor confidence and enhanced legitimacy were immediate benefits of voluntary registration.

"Further benefits would accrue if registered status was seen as a prerequisite to attaining tax relief, or government contracts or subsidies."

While it was unlikely that tax exempt status would apply to all registered organisations (and donations to these), it would assist the receiver of revenue to have registration as a prerequisite, the department said.

"The bill thus provides a stepping stone for reform in the area of tax, and it is strongly recommended that the finance department set clear time frames for proposals in regard to the not-for-profit sector," the department said in its submission.

The new legislation would not restrict or control fundraising, while police would deal with "fraudulent fundraising".

SA takes 1,4% of bank projects

BD 27/8/97 (297)

Nicola Jenvey

DURBAN — SA accounted for only 1,4% of total World Bank procurements valued at $19,4bn in 1996 and there was scope for local companies to become more involved in this process, World Bank resident representative Judith Edstrom said yesterday.

Edstrom said that regionally, the bank loaned capital for projects to Europe and Central Asia (26% in 1996), East Asia (25%), Latin America and the Caribbean (24%), South Asia (11%), Africa (9%) and the Middle East (5%).

Annually, there were more than a dozen procurement projects which were each worth more than $100m. Edstrom said the bank tried to break contracts into smaller components to promote efficiency, lower contract prices and promote the development of small and medium-scale enterprises.

SA had competed in relatively small projects, but Edstrom warned that the El Nino drought effect next year was one area where local companies would have the edge for the delivery of maize and grain to affected regions.

Although stressing that the bank was not responsible for awarding the procurements, Edstrom said information about opportunities was available through the web page. "The UN Development Business" publication also highlighted what loans and projects had been approved, while the bank's public information centre printed technical information on World Bank projects.

She also urged local companies to register with the World Bank data consultants as procurement agencies. Only 23 SA companies are listed with this source.

The World Bank principle procurement specialist Jaime Roman said the bank had developed guidelines for procurement applications since establishing in 1945.

He said procurements were based on economic and efficient principles coupled with equal opportunities among companies in member nations. However, locally manufactured goods might benefit from a 15% preference in a bid to promote domestic industry.

Billionaire's wife goes to the Constitutional Court

Deborah Fine

JEANETTE Harksen, wife of billionaire German financier Jurgen Harksen, has asked SA's Constitutional Court to overturn portions of the Insolver, a DM600 000 claim against a doctor, a R4 000 wedding ring and DM380 850 jewellery.

The section allows the Master of the High Court and liquidators to temporarily seize assets of a solvent spouse or

Cabinet to decide on SACS shortly

Stephen Laufer

FINAL recommendations on the future of government communications, including the SA Communications Service (SACS), were likely to go to cabinet by the end of next month. Essop Pahad, deputy min-

NEWS

Legal Aid footed the bill for Boesak's defence

CLIVE SAWYER
POLITICAL CORRESPONDENT

(297)
ARG 28/8/97

The Legal Aid Board spent R66 767 on the defence of former Western Cape ANC leader Allan Boesak against fraud charges.

A further account for R124 732 has been received, Justice Minister Dullah Omar told Parliament.

The board withdrew its assistance to Dr Boesak on August 13 because he had obtained funding elsewhere for senior counsel.

Dr Boesak has started High Court proceedings against the board for them to continue paying towards his legal aid.

Replying to questions, Mr Omar said legal aid had been provided to Dr Boesak by the board because of his constitutional right to it.

"The charges against him are of such a serious nature that imprisonment, without the option of a fine, may well be imposed in the event of a conviction.

"The board was satisfied that (Dr Boesak) could not afford the services of a lawyer to represent him in court.

"He was and still is unemployed and has no assets of any appreciable commercial value."

Mr Omar said the board had assisted about 100 000 accused in the past 12 months.

The amounts involved ranged from R550 to more than R1-million.



LEON LESTRADE

: Joseph Williams at a new school in Cravenby where there are no wheelchair facilities

Tackling the wheelchair woes

Programme aims to ease access to transport

(297) ARG 30/8/97

TWEET GAINSBOROUGH-WARING

There are vast numbers of wheelchai users in Cape Town – but they are seldom seen because lack of transpor severely restricts their lives and hinders their integration into the community.

In 1985 there were a staggering 150 00 wheelchair users in the Cape metropolitn area, but most stay behind locked doos because it is so hard to get around in tle outside world.

The lack of facilities for the disabled ld to the formation of the National Enviro-mental Access Programme (NEAP), whin is now helping to finalise plans to enabe wheelchair-bound people to use publc transport.

NEAP was formed as a result of co-ope-ation between organisations dealing wih the deaf, blind and disabled.

Joseph Williams, manager of NEAP, said: "Public transport catering to tle needs of the disabled is non-existent and is something which must be tackled by tle Government to enable disabled people o live a productive life."

He said there were plans to improve tle situation but funding was a major stun-bling block.

The introduction of the Government's new policy of integrated education for tle disabled has added urgency to the need for efficient transport and better facilities.

"At present there are many new build-ings inaccessible to wheelchair users, in spite of the 1986 National Building Regula-tions stating all new buildings had to cater to the disabled.

"Lack of public transport is the major hurdle facing the disabled as without it they are confined to their homes.

"Being confined to the house means physically challenged people are not able to participate in educational and social activities, as well as not being able to get to their place of employment.

"This effectively stymies their personal development and integration into the com-munity. In addition to this you are not able to do the most basic things, like go shop-ping without having someone to assist you."

Mr Williams said the Cape Metropoli-tan Council (CMC) was addressing the pub-lic transport situation in conjunction with Modalink, an organisation created to streamline public transport.

As a temporary measure the CMC has proposed a system called Dial-a-ride, which will enable people in wheelchairs to organise transport.

Initially there will be one centrally situ-ated depot.



Wheeler-dealer: reporter Tweet Gainsborough-Waring took to a wheelchair for a day to carry out the mundane tasks that able people take for granted

Aid board spends more than R66 000 for Boesak defence

(297)

Cape Town – The Legal Aid Board had spent R66 767 on the defence of former Western Cape ANC leader Allan Boesak against fraud charges, and another account for R124 732 had been received, Justice Minister Dullah Omar has told Parliament.

The board withdrew aid to Boesak on August 13 because he had obtained funding for senior counsel. Legal aid had been provided by the board because of Boesak's constitutional right to it.

"The charges ... are of such a serious nature that imprisonment, without the option of a fine, may well be imposed in the event of a conviction. The board was satisfied (Boesak) could not afford the services of a lawyer to represent him in court." – Own Correspondent

Star 30/8/97

Collection of training levies

*55. Comdt A BLAAS asked the Minister of Labour:†

(1) (a) How much is it anticipated will be collected annually from training levies as referred to in the draft Skills Development Bill, should it be fixed at a notch of 1% and (b) what is it anticipated the administration costs attached to the collection of this training levy will amount to;

(2) whether this training levy can be justified when taking into consideration the administration costs attached to the collection of the levy; if not, what is the position in this regard; if so, what are the relevant details? N2099E

The MINISTER OF LABOUR:

(1) (a) According to the Central Statistical Service, (Statistical Release P0200 of 29 April 1997), the total gross wage and salary bill for the economy, in 1996 was R210 billion. The figure includes overtime earnings and bonuses. The public sector wage and salary bill, including employer's contributions to personnel funds such as pension, provident, medical aid, sick pay and other funds, is part of this figure.

The precise formula for collecting the levy is still not worked out, but if we take this gross figure then the potential revenue to be collected from a 1% levy on payroll would be of the order of R2.1 billion.

(b) According to the South African Revenue Services the total cost they would incur in order to collect the levy revenue would be between 0.7% and 1% of total revenue collected. This would translate into administrative collection costs of between R14.7 million and R21.0 million. An administrative cost of 1% of total revenue for the collection of a payroll levy is comparable with other international experiences where payroll levies for training have been implemented.

(2) Assuming that the payroll levy for training generates R2.1 billion, the amount of money left once these costs are subtracted, for training and the development of the institutional capability to implement high quality and relevant industrial training, will still be over R2.0 billion. The payroll levy for training will improve the levels and quality of training in industry especially among small and medium sized enterprises that do little or no training. It will contribute to the development of our industrial capability through the strong links between rising skills levels and technological development, and reduce problems of non-training firms poaching skilled labour from those that do train, which reduces the overall incentive to train in industry. It will provide the resources and incentives to revitalise apprenticeship-type training through the proposed new learnership scheme, as well as the resources to establish the infrastructure for introducing the requirements of the National Qualifications Framework in industry.

Our country has an extremely poor skills base, which compares poorly with other developing and developed nations, as well as with the growing skills content of jobs across the economy. The training levy is an effective instrument for improving the competence and knowledge of our present and future workforce, which is a prerequisite for increasing productivity and contributing to declining unit costs and therefore greater international competitiveness. Furthermore, by encouraging firms to provide training and workplace experience for those currently outside of employment, it will improve the skills profile of this out-of-work population and their ability to compete for jobs in the labour market.

The relatively small administrative costs of collecting the levy revenue are completely justifiable given these benefits from introducing the training levy.

Projects to alleviate poverty

*56. Mrs T J MALAN asked the Minister of Finance:†

(1) Whether any projects to alleviate poverty have already been initiated with the amount of R300 million voted for that purpose in the budget; if not, (a) why not and (b)(i) how and (ii) when does he or his Department envisage spending the funds; if so, (aa) what are the nature and extent of the projects, (bb) which institutions or

state departments manage these projects and (cc) how do the poor get access to these services;

(2) whether he will make a statement on the matter? N1919E

The MINISTER OF FINANCE:

(1) The R300 million set aside in the 1997/98 budget for poverty alleviation has not been allocated as yet. A proposed allocation is to be submitted to Cabinet shortly. It is envisaged that the funds available this year should be allocated to the following existing programmes or already designed projects in order to ensure that the funds are utillsed effectively.

A. The Department of Public Works' *Community Based Programme* (CBP) was adopted in 1994 and focuses on the creation of infrastructural assets. Its method of delivery is labour intensive construction, especially targeting women. It thereby creates temporary jobs while providing needed assets, mainly in rural areas. The aim is for assets that can directly and indirectly lead to sustainable income generation and therefore sustainable poverty alleviation. It concentrates on categories of assets that improve accessibility, are directly productive or labour saving, and promote social cohesion.

B. The Department of Water Affairs and Forestry's *Working for Water* (WFW) is another RDP-related poverty relief programme that has contributed to job creation. This programme clears invading alien plants such as wattles, pines and gums in a labour-intensive way. There is a strong correlation between the occurrence of alien plant invasion and the occurrence of extreme poverty. Employment creation is sustained through the restoration and maintenance of cleared areas. The programme has embraced many partners in both government and the private sector. It has further potential for additional links to associated activities (e.g. rehabilitation of degraded farmland, small-scale agriculture, the building of access roads, nature trails that facilitate eco-tourism and social security in terms of managing floods and fires).

C. The Department of Welfare's *Income Generation Programme* (IGP) is a new proposal. The beneficiaries of the strategy will be women, children and youth. The following two-fold strategy has been agreed between the national Department of Welfare and its provincial counterparts.

- Community based organisations and welfare organisations that work with communities living below the poverty line will receive funding for once-off expenditures The purpose is to kick-start sustainable income generation programmes. Only projects with a strong skill-training component and without recurring expenditure will be considered.
- Fixed or movable capital will be purchased to promote income-earning initiatives. Funding will take place through existing organisations that have infrastructure and management systems in place and are currently involved with development programmes. The purpose is to assist in the promotion of sustainable development through micro-enterprises. The close to 2 000 NGOs currently funded by Welfare will be utilised.

(2) A statement on the matter will be made once allocations have been finalised.

WHO: 47th session of Regional Committee for Africa at Sun City

*57. Dr W A ODENDAAL asked the Minister of Health:†

Whether Cabinet gave approval for the 47th session of the World Health Organisation's Regional Committee for Africa to be held at Sun City; if so, (a) why was the meeting held in South Africa, (b) what was the cost to the taxpayer of the (i) proceedings and (ii) gala dinner and (c) against which budget votes were the costs of these functions recovered? N2084E

(2) whether any pensioners in Maluti have in the past months not been receiving their pensions as a result of pension cheques being stopped; if so, (a) why was this situation allowed to develop and (b) what are the further relevant details;

(3) whether he or the Department of State Expenditure intends taking any steps to combat the ongoing theft of pension cheques in the Eastern Cape; if not, why not; if so, what steps? N1857E

The MINISTER OF FINANCE:

(1) No.

The matter at hand is a provincial responsibility and the Honourable Member is requested to forward the question to the Eastern Cape Provincial Legislature for a response from the responsible Member of the Executive Committee.

(2) Information not available at National level.

(a) This is a provincial responsibility.

(b) Falls away.

(3) Yes. An Eastern Cape Task Team had been established by the MEC of Finance: Eastern Cape and myself to address financial management such as budget preparations, expenditure control, reporting on expenditure trends, financial systems, closing of books, cashflow management, provisioning administration, information technology support and personnel matters.

As far as steps to control theft and fraud of cheques are concerned, the Task Team advised the Director-General: Eastern Cape to reduce the number of bank accounts, to bring in a 7 day clearance period at First National Bank before cheques are paid out, and to shift the computer bureau, where cheques are printed, to the Provincial Treasury.

Public Service: number of employees

*16. Mr J A JORDAAN asked the Minister for the Public Service and Administration:

(1) How many persons were employed by the State on 30 June (a) 1996 and (b) 1997;

(2) whether the Government's plans to streamline the Public Service are on track; if not, why not;

(3) whether he or his Department intends taking any action in this regard; if not, why not; if so, what action? N1858E

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION:

(1) The number of persons employed by the State on:

(a) 30 June 1996 was 1 264 863, and

(b) 30 June 1997 was 1 179 419.

(2) The conversion of the eleven public services that existed prior to the adoption of South Africa's new constitutional dispensation, was a massive task. It required the co-operation of a large number of role-players. Although the Public Service Commission played a decisive part by putting in place a framework to guide the process, the biggest challenge was faced by the provincial administrations – especially those that inherited functions and staff from the former homelands.

Most provinces are still struggling to come to terms with the rationalisation process. In many cases they inherited outdated and incompatible management and information systems, duplicated organisational structures and staff with diverse backgrounds. The task to build new organisations that would be able to support the Government in achieving its objectives, might have been underestimated. The Provincial Review Report has confirmed this.

(3) The Ministry is working closely with the respective provinces to address the problem areas and it will do its best to mobilise the resources of national departments to assist the provinces. International assistance has also been made available.

Economic accord with Libya

*17. Mr C W EGLIN asked the Minister of Foreign Affairs:

(1) Whether he has signed any economic accord with the government of Libya; if not, what is the position in this regard; if so, what is the text of this accord;

(2) whether the accord is consistent with the Government's stated commitment to promote democracy and human rights; if not, what is the position in this regard; if so, what are the relevant details? N1859E

The MINISTER OF FOREIGN AFFAIRS:

(1) The Department of Foreign Affairs has not signed any economic accord with the Government of Libya.

The Department is currently investigating entering into economic accords with a number of countries, according to a particular set of priorities. Future accords, if any, with Libya, will be addressed on the basis of those priorities.

(2) Because of the negative reply to the first question the second question falls away.

SA: foreign aid (297)

*18. Mr K M ANDREW asked the Minister of Finance:

(1) What total amount in foreign aid did South Africa receive during the period 1 January 1995 up to the latest specified date for which information is available;

(2) whether any of the amounts received in foreign aid were not spent within the timeframes specified by the relevant donor countries; if not, (a) why and (b) what amounts;

(3) whether the Government has taken any steps in this regard; if not, why not; if so, what steps;

(4) whether any action has been taken by the donor countries concerned in this regard; if so, what are the relevant details? N1860E

The MINISTER OF FINANCE:

(1) The total amount of foreign aid received from the various donors through the RDP Fund for the period of 1 January 1995 to 5 August 1997 totals R346 167 214.

(2) All the amounts received prior to 31 March 1997, (1995/1996 and 1996/1997 financial years) have been transferred to the "Spending Department/Province/Agency by way of the Adjustment Estimates. Each Department/Province/Spending Agency is directly responsible to the Donor with regard to the spending of these funds. Each separate Agreement that has been signed, stipulates when and the manner in which financial and progress status reports regarding the projects/programmes are to be forwarded to the donors. The Department of Finance does not monitor the spending of the donor grants.

(3) Not applicable.

(4) Not applicable.

Labour market: greater flexibility

*19. Mr K M ANDREW asked the Minister of Labour:

Whether, with reference to provisions contained in GEAR, specifically clause 2.2, the Government took any action during the period 1 June 1996 up to the latest specified date for which information is available, towards creating greater flexibility in the labour market; if not, what is the position in this regard; if so, what action? N1861E

The MINISTER OF LABOUR:

1. It is only a little over a year since GEAR was adopted by government and it takes time to formulate and implement policies that require negotiation with social partners as much labour policy does. The department is considering a number of policy proposals to align ourselves with the macroeconomic strategy.

2. Flexibility in Collective Bargaining: The Department has committed itself to reviewing the new Labour Relations Act which was officially promulgated in November 1996 to ensure that it is efficient and flexible especially with regard to the granting of extensions to non-parties. Amendments to this effect are being formulated for negotiation with social

→

partners. The Department is aware also that the collective bargaining process that has been achieved so far cannot be merely legislated away without a social upheaval, so that any proposals in this regard have to be compatible with our commitment to collective bargaining as the mechanism for ensuring stable and sound industrial relations. Nevertheless, ministerial discretion with regard to the extension of collective bargaining agreements is exercised to the degree allowed for by the law to allow for greater variability in application and compliance.

3. *Wage Determination*

3.1. The Department has already accepted the recommendations of the Comprehensive Labour Market Commission in this regard that future wage determinations should take cognisance of differences based on the capacity and ability of firms to shoulder the higher remuneration (e.g. with regard to small scale firms and those in which unit labour costs are already high); based on the possible impact of such higher remuneration on vulnerable segments of the labour force (such as youth and women); and based on the possible general impact of such higher remuneration on employment of unskilled and semi-skilled workers especially in regions with high rates of unemployment. It should be noted that these are considerations that already inform wage determinations in any case even if they are being pursued much more pro-actively at present.

4. *Employment Flexibility*

4.1. Measures concerning the need to promote greater flexibility in employment and the utilisation of labour have been proposed in the draft bill on Basic Conditions of Employment and they relate to the reduction in working hours, an increase in the overtime premium, averaging hours of work, re-alignment of shifts to allow for more workers to be employed and for continuous operations, overtime, and the lifting of restrictions on Sunday work. These and other provisions in the draft bill are currently being negotiated with social partners.

5. *The Social Agreement*

5.1. It is government's intention that a social agreement should be the outcome of a general consensus on an Employment Strategy which should bind the social partners to particular commitments with respect to delivery of public services, formulation of targeted incentive packages, stabilisation of wages and prices, and deployment of private sector investment. A committee of ministers has been appointed to oversee the formulation of an Employment Strategy, which should be the basis for a social agreement that will be cemented at a Presidential Jobs Summit. Background research and interdepartmental consultation pertaining to the Employment Strategy has already begun and the Executive Council of NEDLAC has accordingly been briefed.

6. In sum then, there are policy processes under way to put into effect a coherent labour market policy. We will in the not too distant future, publish a consolidated labour market policy document.

Road building projects: completion

*20. Mr A E REEVES asked the Minister of Transport:†

(1) Whether any road building projects cannot be completed in time this year due to a shortfall in the budget allocated therefor; if so, what projects;

(2) whether he will make a statement on the matter? N1862E

The MINISTER OF TRANSPORT:

(1) Some projects identified by the pavement management system which should have started this financial year were delayed because the allocation received from Treasury for non-toll roads was insufficient to cover all the urgently needed rehabilitation and maintenance needs on national roads. While some projects had to be delayed others are being investigated as possible toll roads. The delaying of projects also has a knock-on effect as projects which should start in the following years have to be delayed as well. Each delay results in rehabilitation and maintenance becoming more costly.

25 Projects have already been delayed or will be delayed if more funds are not made available. Rather than take up the Houses valuable time I would like to request permission to file the list.

	Project	*Original Start date*	*Delayed until*
N1/7	Special maintenance: Koedoesloop – Steynstasie	Apr 1997	Apr 2000
N1/7	Special maintenance: Steynstasie – Beaufort West	Apr 1997	Sep 1998
N1/7	Special maintenance: Platdoring river – Nelspoort	Jun 1997	Feb 1999
N1/21	Reseal: Brakfontein – Rigel Ave	Jun 1997	Oct 1998
N1/29	Rehabilitation: Punch Bowl – Wyliespoort	Apr 1999	Jun 2000
N2/2	Special Maintenance: Sir Lowry's Pass – Palmiet river	Apr 1997	Feb 1999
N2/6	Reseal: Mosselbay west – Grootbrak river	Apr 1998	Apr 1999
N2/6	Reseal: Albertina –Gouritz mouth	Apr 1998	Apr 1999
N2/6	Reseal: Mosgas – Mosselbaai	Jun 1998	Apr 2000
N2/9	Reseal: Witelbos – Kareedow	Jun 1997	Jul 1998
N2/16	Special maintenance: Beacon Bay – East London	Jun 1998	May 1999
N2/21	Rehabilitation: Harding – Izingolweni	Jun 1998	Jan 1999
N2/25	Durban Southern Gateway Phase II	Jul 1997	Jul 1998
N2/25	Reseal: Isipingo I/C – E B Cloete I/C	Apr 1998	Oct 1999
N2/29	Joint seals: Msnduzi – Kangela	Jan 1998	Jan 1999
N2/31	Rehabilitation: Mkuzi – Pongola river	Apr 1999	Apr 2000
N3/1	Reseal: Candellan road – Pinetown	Apr 1999	Apr 2000
N3/7	Reseal: Van Reenen – Blackspruit	Aug 1999	Jan 2000
N3/12	Reseal: Geldenhuis I/C – Gillooleys I/C	Jun 1998	Oct 1999
N3/12	Repair rutting: Dwars – Geldenhuis I/C	Jul 1999	Jul 2000
N3/12	Reseal: Modderfontein – Buccleuch	Apr 1997	Oct 1998
N6/1	Reseal: Homeleigh – St. Luke	Apr 1997	Jan 1999
N8/8	Surface: Alexanderfontein – Avondster	Apr 1997	Jan 1999
N10/4	Rehabilitation: Cypress Grove – Middelburg (Cape)	Jun 1999	Oct 2000
N11/3	Reseal: Nkunzi – One Tree Hill	Jun 1997	Sep 1998

Impact of Lotteries Bill on welfare organizations

*21. Mrs T J MALAN asked the Minister of Trade and Industry:†

(1) Whether a study has been made of the impact that the proposed Lotteries Bill will have on welfare organisations; if not, why not; if so, what are the relevant details;

(2) whether he will make a statement on the matter? N1863E

The MINISTER OF TRADE AND INDUSTRY:

(1) Yes. In the investigation and research during 1994/95 by the former Lotteries and Gambling Board to advise Government on appropriate policy and legislation relating to gambling and lotteries, thorough attention was given to this matter. The Board's main report submitted to government contains its views in this regard.

As a general observation it seems that the introduction of a national lottery may negatively impact on the capacity of welfare organisations to raise funds through voluntary contributions.

This potential negative result will be tempered if not eliminated by the direction in the Lotteries Bill that a percentage of the distributable income of the national lottery will be paid to charitable organisations.

Furthermore, the Lotteries Bill provides for the introduction of small, private and society lotteries which for the first time establishes a legal framework and therefore a new opportunity for welfare organisations to collect funds legally through lottery competitions.

(2) No.

Upgrading of N1 from Matoks to Louis Trichardt

*22. Mr A FOURIE asked the Minister of Transport:

(1) When is it envisaged that the upgrading of the N1 road from Matoks to Louis Trichardt will be completed;

(2) whether he or his Department has had a change in viewpoint in respect of the upgrading of the road between Louis Trichardt and Beit Bridge; if not, why not; if so, what are the relevant details? N1864E

There are still two things, among others, that also need to be established. Firstly, why are there no records of their deductions for UIF from 1982 to 1989? These dismissed workers have proved that deductions were made. Secondly, they are asking why R6,00 was deducted instead of what should have been 50c per month at that stage.

I believe that for all parties to be satisfied and for justice to be done, there needs to be a thorough investigation into this whole matter. Once it is established that unfair dismissals did take place against some of these workers, then Transnet must seriously consider re-employing them – I heard what the hon the Minister said – or paying them what is due to them in the form of UIF and pension.

There have been reports in the media that Transnet is losing millions of rand through nonpayment by rail commuters. The Transport Director-General once told the Transport committee that Cape Town fare evasion by between 30% and 40% of rail commuters cost between R140 million and R160 million a year. I personally know people that travel almost daily by train between Mabopane and Ravensklip stations near Germiston without paying a cent. This is costing Transnet and the Government a lot of money in lost revenue.

Re-employing experienced workers who were unfairly dismissed will help save Transnet millions of rands per annum. Experienced ticket collectors are needed on our trains to ensure that free rides come to an end. They know how to deal with those who refuse to buy tickets. The request they make is that this matter be taken seriously. I appreciate what the Minister said about the issue of housing. They appreciate that too. However, they want the fact that many of them have proof that they were sick and not just away for no reason, to be taken into consideration. I appreciate the fact that the Minister is doing everything in her power to help them. [Time expired.]

The MINISTER FOR PUBLIC ENTERPRISES: Madam Speaker, the hon member said that Metrorail was losing a lot of money because there were no good ticket collectors. One of the very people that he is representing here, was dismissed because he had taken money as a ticket collector and had not accounted for it. [Interjections.]

As far as the blue cards are concerned, we have asked members of the forum to give us a list so that we can furnish them with the cards in order for them to get help from the Department of Labour.

Finally, we know that this is a dilemma in some cases, and we are treating this matter with all the sympathy it deserves. Incidents which happened between 1982 and 1989 are issues which the current management, much as it wants to address them, as the hon member said himself, has no records of. We have asked some of these people to bring proof, but they are not ready to do so. However, in spite of all that, we have told them that even with regard to the issue of the pensions, if they have any queries they must bring them forward and we shall make sure that we leave no stone unturned in looking at the issues affecting them. The interpellant did not do his homework before putting this interpellation. [Interjections.]

Debate concluded.

QUESTIONS

†Indicates translated version.

For oral reply:

President of the Republic:

Question standing over from Wednesday, 3 September 1997:

*2. Dr B L GELDENHUYS – President of the Republic. † [Withdrawn.]

New question:

President of Indonesia: letter incorrectly delivered

*1. Dr B L GELDENHUYS asked the President of the Republic:†

(1) Whether a personal letter from him to the President of Indonesia was delivered at the wrong embassy in Pretoria; if so, who is being held responsible therefor;

(2) whether he will make a statement on the matter? N1971E

The DEPUTY MINISTER OF FOREIGN AFFAIRS (for the President of the Republic):

(1) Yes. The complex circumstances which led to this error have been examined by the Office of the President and the Ministry of Foreign Affairs, and the results of our investigations have been communicated to the governments concerned. The name of the country to whose embassy the letter was delivered, and that of the official in the Office of the President who delivered it, have been provided to the hon member.

(2) Yes. Steps have been taken, including a diplomatic action and the transfer of the official from the Office of the President. All the affected parties have accepted the settlement reached. Given the complex and sensitive nature of the circumstances which led to this incident, the accepted protocol relating to diplomatic actions of the type taken, and the negotiations around the subject matter of the letter, I believe that it is not in the interest of either our country or the officials concerned for this issue to be pursued any further.

Dr B L GELDENHUYS: Madam Speaker, arising out of the hon the Deputy Minister's reply on behalf of the hon the President, can he give the House an explanation as to why such harsh action was taken against the ambassador, Mr Valente, given the fact that the actual error was committed in the Office of the President?

The DEPUTY MINISTER OF FOREIGN AFFAIRS: Madam Speaker, as I tried to explain, this is a complex matter – there are many factors which we have not been able to make public because of the diplomatic nature of the problem. The action we have taken is in line with normal protocol, and both parties have accepted the correctness of our position.

Dr B L GELDENHUYS: Madam Speaker, further arising out of the hon the Deputy Minister's reply, will he concede that South Africa unnecessarily abused a friendly country to the detriment of our interests at the European Union? The former Portuguese ambassador now holds the very important position of negotiator at the EU, and we are engaged in negotiations on a free-trade agreement.

The DEPUTY MINISTER: Madam Speaker, I do not accept the notion that we abused anything. In fact, our relations with Portugal are very strong. Their president was here at the time, and we have held very substantive discussions with the Portuguese authorities to deal with this matter.

Executive Deputy President:

Questions standing over from Wednesday, 27 August 1997:

*1. Mr W A HOFMEYR – Executive Deputy President. [Question standing over.]

*2. Mr W A HOFMEYR – Executive Deputy President. [Question standing over.]

Question standing over from Wednesday, 3 September 1997

National Development Agency: criteria

*1. Rev K R MESHOE asked the Executive Deputy President:

Whether any criteria have been laid down to ensure that the National Development Agency operates efficiently and will be of benefit to those it will serve; if not, why not; if so, what criteria? N1845E

The DEPUTY MINISTER IN THE OFFICE OF THE EXECUTIVE DEPUTY PRESIDENT:

Oral reply to the question posed to the Deputy President by Rev Meshoe MP National Assembly 10 September 1997

Cabinet adopted recommendations of the committee which was set up to advise cabinet on relations between Government and civil society organisations (CSOs).

One of the recommendations was the establishment of the National Development Agency (NDA).

The main functions of the NDA will be to:

1. provide financial support to civil society organisations, both NGOs and CBOs, involved in development; and

2. facilitate development policy consultations between civil society organisations and government.

The committee set up by Cabinet to establish the NDA has further recommended that the thrust of the NDA must be to support CSOs that make direct and indirect contributions to poverty alleviation.

The grantees of the NDA must also be involved in implementing programmes which are within the development priorities that will be identified through consultations between Government and CSOs.

The final report of the NDA implementation team will further elaborate on the criteria which will guide the NDA. The report will be shared with this House after it has been approved by Cabinet.

Question standing over from Wednesday, 3 September 1997 (transferred for oral reply in accordance with Rule 202):

Visit to Cuba

*1. Dr B L GELDENHUYS asked the Executive Deputy President: [Written Question No 528]

(1) Whether any (a) Ministers, (b) Deputy Ministers, (c) Directors-General and/or (d) members on the staff of any of the Ministries visited Cuba during the period 1 May 1994 up to the latest specified date for which information is available; if so, in respect of each Department concerned, (i) how many visits were undertaken, (ii) when were such visits undertaken and (iii) what was the purpose of each visit;

(2) whether any agreements were finalised during these visits; if so, what did each such agreement entail;

(3) whether any amounts were granted by Cuba to South Africa during the abovementioned period; if so, (a) what amounts and (b) how were these amounts allocated? N869E

The DEPUTY MINISTER IN THE OFFICE OF THE EXECUTIVE DEPUTY PRESIDENT:

This reply is rather lengthy. I have spoken to Dr Geldenhuys, and I am happy to report that he has acceded to my request that I table the details of the answer, but do inform Parliament about which Ministers visited Cuba.

[Reply partly tabled with leave of House.]

(1) A part-time commissioner from the National Youth Commission visited Cuba (Thabo Masebe).

(i) One visit

(ii) 25 July to 5 August 1997

(iii) The purpose of the visit was to attend the International Students and Youth Festival in Cuba.

(2) No.

(3) No.

The Ministers that visited Cuba are:

Minister of Foreign Affairs

(1) (a), (b), and (d) (i) and (ii)

Yes. During the period 1 May 1994 up until the present time, the Department of Foreign Affairs has undertaken two official visits to Cuba.

The first visit took place from 11 to 13 October 1995. The delegation included the Minister, his assistant private secretary, the adviser to the Minister, the Director: Latin America and the Director: Media Liaison.

The second visit took place from 14 to 16 August 1996. The delegation included the Deputy Minister; the Deputy Director – General: Europe and the Americas and the Deputy Director: Latin America.

(c) No. The Director General of the Department has not visited Cuba to date.

(d) (iii):

The purpose of the first visit was to discuss bilateral relations. Cuba was one of several Latin American countries visited (Brazil, Mexico, Cuba). These countries were visited by the Minister en route to the nonaligned Movement summit, held in Cartagena, Colombia from 14 to 20 October 1995.

The purpose of the second visit was a fact-finding mission, during which Cuba was again one of

several Latin American countries visited (Brazil, Chile, Mexico, Cuba).

The advent of political and economic reform as well as impressive economic growth in almost all Latin American countries, over the past several years, has resulted in a strong inflow of investment capital into the region.

Countries such as Argentina and Chile registered some of the highest growth rates in the world during the first four years of the 1990s. The Region is set for a period of sustained economic growth and South Africa must be associated with this development.

Latin America, with a total population of more than 300 million, presents South Africa with excellent possibilities for trade and economic interaction, especially in view of the various economic blocs and free trade areas which have been established in the region.

In this regard, Cuba has taken steps to facilitate broader foreign trade and joint-venture opportunities. In 1996, Cuba recorded a 7,8% growth rate and South Africa's bilateral trade with that country has shown a steady increase, leaning markedly in South Africa's favour. Cuba's relations with other Latin American and Caribbean countries are sound, with particularly good trade relations with Mexico. Mexico is the third-largest receiver of South African exports in the region.

Closer cooperation between South Africa and Latin American countries is being pursued in the scientific and technological fields. South Africa's expertise in mining technology and the exchange of knowledge gained through agricultural research can, for example, be made available to countries in Latin America and the Caribbean.

(2) No. No agreements were finalised during either of the two visits to Cuba.

(3) No. No money was granted by Cuba for the Department during the above-mentioned period.

Minister of Education:

(1) (a) Yes
(b) No
(c) No
(d) Yes

(i) One visit

(ii) Date of visit 4 – 8 April 1997

(iii) The purpose of the visit was to honour an invitation by the Cuban Minister of Education. The Minister was accompanied by one member of each of the following teachers' organisations. The South African Democratic Teachers' Union; the National Association of Professional Teachers' Organisations of S.A. and the Suid-Afrikaanse Onderwysers-unie in addition to one official from the Department, his adviser and his private secretary.

(2) A Framework Agreement on Educational Collaboration was signed by the two ministries. This agreement centres around areas of common interest to the two ministries, namely, the encouragement of the exchange of experience in the fields of training and the professional upgrading of technical and professional schools; pre-school education and the education of handicapped children; planning and school organisation, and pedagogical and scientific research.

(3) Cuba did not offer any financial assistance.

Minister of Trade and Idustry:

The reply covers the period 1 May 1996 to 31 August 1997 in respect of the Minister.

(1) (a) Yes

(b) No

(c) Yes

(d) Yes

(i)	Minister and DG	One visit – business mission to Mexico and Cuba April 1997
	DTI staff	Visits on 6 occasions
(ii)	Minister and DG	April 1997
	DTI staff	May 1996; September 1996;

(2) The DoF is not aware of any performance measures to assess the effectiveness of this forum. The question should however be referred to the DCD as they are the convenors of this forum.

Our view is that these meetings are cost effective as stakeholders and affected parties are informed and consulted on policy issues very early in the formulation stages. Possible duplication of effort and the resulting inefficiencies' from possible "turf battles" are thereby eliminated. This forum, in addition, contributes to good governance and co-operative relationships.

For written reply:

T16 road to Mkemane Locality in Maluti: maintenance

574. Mr G Q M DOIDGE asked the Minister of Transport:

(1) Whether the T16 road to the Mkemane Locality under the Ludidi Tribal Authority, Maluti, is being maintained by the relevant authority; if not, why not; if so, what maintenance has been and is being carried out;

(2) whether there is an adequate access road in the area; if not,

(3) whether the relevant authority has any plans to address this issue; if so, (a) what plans and (b) what are the time-frames in this regard? N959E

The MINISTER OF TRANSPORT:

The T16 Road to the Mkemane Locality is in the vicinity of Mount Frere and falls under Maluti at this stage. It is in the Eastern Cape.

As this matter falls under the jurisdiction of the Eastern Cape Provincial Government, the hon member is kindly requested to pose this question to the relevant authority who will be in a position to provide him with the necessary information.

Nigel: RDP projects (297)

787. Mr J A RABIE asked the Minister of Finance:†

(1) Whether any Reconstruction and Development Programme projects have been launched/initiated in Nigel; if so, (a) which communities are involved, (b) how many job opportunities have been created, (c) what does the remuneration amount to in this regard and (d) what are the further relevant details; if not,

(2) whether any such projects are envisaged in order to prevent Nigel from declining into a ghost town; if not, why not; if so, what are the relevant details;

(3) whether he will make a statement in order to give the community of Nigel the assurance that the RDP, in all its facets, will also benefit Nigel? N1380E

The MINISTER OF FINANCE:

(1) There have been Reconstruction and Development Programme projects launched/initiated in Nigel:

Duduza	Roads and storm-water drainage	R2,700mil
	Upgrading of water	R1,300mil
	Connecting of water	R1,200mil
	Sewerage network	R2,050mil
	Water provision	R1,600mil
	Sewerage network	R2,700mil
	Reservoir	R2,460mil
Jameson Park	Upgrading of sewerage works	R0,570mil
	Upgrading of water network	R0,570mil
	Provision of sewerage works: New school	R0,250mil
	Provision of water: New school	R0,190mil
Alra Park	Sewerage for Alra Park extension II	R0,330mil
Cerutiville	Water Connections	R0,130mil
		Total R16,050mil

(a) All disadvantaged communities in Nigel have been involved:

(i) Duduza and extensions
(ii) Jameson Park

(iii) Cerutiville
(iv) Alra Park and extensions

(b) Approximately 450 job opportunities have been created.
Due to the diversity of the projects in process, and the completion of some, the exact total of job opportunities created cannot be determined. Take note that local labour within the Nigel community is being used. Local contractors and the unemployed are advantaged and where necessary in job training is given.

(c) The total amount of remuneration of the mentioned projects amounts to approximately R4,37 million. Most of the casual labourers work at a rate of R40,00 per day.

(d) Relevant details: The recent commencement of the upgrading of the Councils sewerage works, also a RDP project, amounts up to R5,57 million. This is a specialised project (e.g. schooled labour are used for the concrete shuttering and building of the reservoir) which is not labour intensive. (This project is not included in the above-mentioned list).

According to the City Engineering Department of Nigel, this town can be given as an example for larger cities in view of the progress made on the reconstruction and development programmes. All further details can be obtained from the Local Authority and the City Council of Nigel.

See attached Table for more informatiom.

(2) and (3) fall away.

RDP projects for Nigel

MIP	*Beneficiaries*	*Employment (man days)*	*RDP Funds*	*Counter-funding*	*Total Project Cost*	*Progress until June 1997*
Duduza: Waterborne sewer system	11 000	642	R2 736 000	R0	R2 736 000	15%
Alra Park:Metered water connections	1 500	785	R65 000	R71 781	R13 678	100%
Cerutiville XI: Sewer and toilets	3 050	1 521	R330 702	R0	R330 702	57%
Masetjhaba View: Sewer connections	9 800	7 139	R2 052 000	R0	R2 052 000	35%
Nigel: Sewer connection to school	3 000	2 473	R249 728	R0	R249 728	100%
Nigel: Upgrade sewer network	3 000	3 168	R570 000	R0	R570 000	58%
Nigel: Upgrade water supply to school	3 000	1 284	R191 748	R0	R191 748	100%
Nigel: Upgrade water network:	3 000	6 303	R570 000	R0	R570 000	100%
Duduza: Provide water network	11 000	3 379	R 1 595 863	R0	R1 595 863	64%
Duduza: Repair water network	30 000	2 127	R1 300 000	R100 000	R1 400 000	22%
Maseljhaba View: Stand water connections	7 000	1 991	R1 200 000	R0	R1 200 000	72%
Totals for MIP Projects	85 350	30 812	R10 861 041	R171 781	R10 909 719	

EMIP	*Beneficiaries*	*Employment (man days)*	*RDP Funds*	*Counter-funding*	*Total Project Cost*	*Progress until June 1997*
Duduza – Water reservoir	44 100	0	R3 260 400	R0	R3 260 400	13%
Herbert Bickley – Sewer treatment plant	not available	0	R5 750 000	R1 700 000	R7 450 000	14%
Totals for EMIP Projects	44 100	0	R9 010 400	R1 700 000	R10 710 400	
Grand Total for Nigel	129 450	30 812	R19 871 441	R1 871 781	R21 620 119	

N2 at Mount Ayliff: dangerous traffic situations

827. Mr G Q M DOIDGE asked the Minister of Transport:

(1) Whether it has been found that the exit point off and entry point onto the N2 used by motorists travelling to or from Mount Ayliff pose any dangerous traffic situations; if not, what is the position in this regard; if so,

(2) whether he or his Department intends taking any steps in this regard; if not, why not; if so, (a) when and (b) what are the further relevant details? N1469E

Govt to spend extra R600-m on infrastructure programme

Star 2/9/97 (297)

By Themba Sepotokele
City Reporter

The Government is to spend another R600-million on its municipal infrastructure programme (MIP), bringing to R1,4-billion the amount of money committed to addressing backlogs in infrastructure in previously neglected areas around the country.

Provincial Affairs and Constitutional Development Minister Valli Moosa announced this yesterday at the launch of the National Masakhane Focus Week in Ivory Park on the East Rand.

Moosa said the Government to date had spent R700-million on infrastructural projects. The R600-million would be added in March 1998 when the new financial year began.

The MIP projects include the upgrading of the sewerage reticulation system, revamping roads, construction of stormwater canals, and the installation of street lights.

Earlier, Moosa accompanied Gauteng MEC for local government and planning Sicelo Shiceka in Roodepoort, where 13 mayors received 25 firefighting vehicles worth R5-million. An additional 35 will be handed to other mayors in October.

The vehicles were specifically designed to extinguish fires at informal settlements.

RDP gets a boost from infrastructure programme

(297)

BD 19/9/97

Business Day Reporter

THE reconstruction and development programme (RDP) got a boost yesterday from the launch of the 1 000th municipal infrastructure programme to deliver "basic services" to disadvantaged areas.

Provincial Affairs and Constitutional Development Minister Valli Moosa said the imminent completion of two stormwater canals and road development projects in the informal settlement area of Ivory Park was "a milestone" since the RDP's inception in 1994.

The R8,24m Ivory Park projects, which fall under Khayalami Metropolitan Council's jurisdiction, were "showcase RDP projects". They were highlighted because of their size, skills training and promotion of small, medium and micro enterprises.

During the 1996/97 fiscal year, the RDP approved R2m for the construction of the 4,7km-long stormwater canals — with the council chipping in R1m — and R5,1m for the 13,6km road development project. Moosa said the stormwater project would solve "one of the biggest health problems" by removing excess water from the high-density area. Ivory Park consists of 18 000 stands and 80km of gravel roads.

The RDP has approved R31m for 14 municipal infrastructure programmes, "extension" programmes and related infrastructure projects undertaken by the council. Nationally, the RDP has allocated R1,3bn so far to municipal infrastructure programmes.

Speaking at the start of Masakhane Focus Week, Moosa linked the programmes — which aim to provide services such as sanitation, roads, community lighting, solid waste management and waste facilities — to the national Masakhane campaign.

Masakhane is a "nation-building" drive to motivate historically disadvantaged areas to pay for services. "It is about building community and development, with less emphasis on (collecting) money," he said. "Never in our history has so much development taken place in so little time ... This country is in a massive (drive) to reconstruct itself."

Call to rethink apartheid loans

(297)

M+G 5-9/10/97 5-11/9/97

Ferial Haffajee



Long way to go: Millions in Mozambique are still without safe drinking water. PHOTOGRAPH: DANNY HOFFMAN

South Africa's biggest non-governmental organisations (NGOs) have launched a campaign to push for the restructuring of apartheid debt. Led by the NGO Coalition, they want to egg government on to make changes to debt payments to free up revenue for development.

"There is real anxiety about the reconstruction and development programme among NGOs," says the Coalition's executive director Kumi Naidoo, adding that an analysis of public spending shows about one in five budget rands was paid on servicing debt — a total of R40-billion in the present financial year.

In the past eight years, public debt has grown from R80-billion in 1989 to R300-billion in 1996, due to the cost of retiring many civil servants, boosting reserves and the 1989/93 recession.

The coalition now wants government to get creative with its debt burden. Among the suggestions it made is an interest payment holiday, the restructuring of the government pension fund and partial debt forgiveness.

While the clarion call to "scrap apartheid debt" was common in the Eighties, the regular payment of the same debt has been crucial to help the new government gain credibility both locally and abroad.

The government has often voiced its intention to "pay back every cent", though it is prepared to listen to the coalition's proposals which are more nuanced and aimed instead at "minimising disruption on the financial markets".

Michael van Wyk, right, explains to quarry owners and managers how it works. Picture: COBUS BODENSTEIN | Archives' holdings.

Boesak wins ground in legal aid fight

BD 6/9/97 (297)

Stephané Bothma

PRETORIA — The Legal Aid Board will rescind its decision to withdraw financial assistance to Allan Boesak and will give the controversial former African National Congress Western Cape leader an opportunity to make representations about future aid.

The move follows an urgent application in the Pretoria High Court by Boesak yesterday to challenge the August 11 decision by the board to withdraw legal aid after Boesak managed to raise outside funds to employ top senior advocate Mike Maritz to defend him on charges of fraud involving more than R1m.

The board earlier agreed to carry the costs of an instructing attorney and a junior advocate to defend Boesak on the charges involving donor money administered by his Foundation for Peace and Justice.

However, after it became known that with the assistance of SA's ambassador to the US, Franklin Sonn, enough money had been raised to appoint Maritz as senior counsel, the board withdrew financial assistance to Boesak.

The application was not argued by the parties yesterday. Instead, Boesak accepted an offer by the board that "the Legal Aid Board would rescind its decision to withdraw aid and would forthwith convene a meeting as soon as possible where Boesak may appear and make whatever representations he sees fit concerning whether or not the legal aid which had been granted to him should or should not be withdrawn".

According to Boesak's legal representatives, the board failed to supply them with minutes of the meeting at which the decision to withdraw had been taken and therefore the offer could not have been accepted at the time. The lawyers were furnished with the minutes at yesterday's hearing.

The issue of who would carry the costs of yesterday's application, at which both sides had senior advocates, would be decided at a later stage, Judge Buddie Swart ruled.

Justice Minister Dullah Omar last week told Parliament that the Legal Aid Board had already spent more than R60 000 on Boesak's defence to date and had received a bill for another R124 732.

Linda Ensor reports from Cape Town that Boesak and his theft and fraud co-accused Freddie Steenkamp made a brief appearance in the Cape High Court yesterday to have their trial date postponed from September 15 to September 23 to accommodate the schedules of their legal teams.

Doctors rattle sabres | Sabadia wounds 'superficial'

R600m EU aid package hits snags

BD 5/9/97 (297)

John Dludlu

THE R600m-a-year European Union (EU) aid package to SA has run into serious technical problems, resulting in slow expenditure of what is by far the largest amount of aid money granted to Pretoria.

Already, the EU has cut the amount it expects to disburse this year.

Sources close to the situation have warned that SA's slow disbursements could make it difficult for Brussels officials to secure another generous development assistance programme for Pretoria when this programme expires at the turn of the century. However, the EU has played down fears that EU taxpayers might be discouraged by the slow disbursements.

EU ambassador to SA Erwan Fouéré yesterday conceded there were problems in the disbursements, but said the time had not come for Brussels to rethink its development assistance to Pretoria. "We are certainly not about to admit defeat on this issue."

Although showing various degrees of the problem, figures from both the EU and SA indicate serious backlogs in disbursements. According to the EU, only about 20-million ecus of the 125-million ecu-a-year package (R600m) was spent last year on running projects. However, the EU has managed to commit the total sum each year, preventing it from being lost to SA.

About 20-million ecus have been disbursed to SA this year, although the EU had to lower its disbursement target for 1997 to 70-million ecus by year-end against the targeted 80-million ecus, said Angelos Pangratis, deputy head of the EU mission in Pretoria.

However, numbers supplied by Shaheed Rajie, the finance department director in charge of implementing international aid packages to SA, show that payment of 28,5-million ecus were made in 1996. To date, 25-million ecus had been disbursed.

Reasons for the dramatic slowdown in spending of the EU aid which replaced Brussels' special programme for apartheid's victims after 1994 were attributed to technical problems, including the difficulties encountered in adhering to different tender procedures.

Pangratis said the slow payments were caused by slow implementation of projects as well as the arrangement of "reimbursements". This means a project has to advance to a certain stage before payment is made.

This is the first time the problems in the EU package have surfaced. Previously other governments which provide concessionary loans have complained of slow spending by SA.

Both SA and EU officials, who emphasised their good working relationship in the face of difficulties, said measures were being taken to accelerate spending. "We are sympathetic to the problems. We cannot ignore the transformation (in SA)," Fouéré said, an apparent reference to departmental delays. "This matter (of disbursements) is under constant review with all (SA) government departments as well as community based and nongovernmental organisations which have shown the capacity to deliver."

Proposed solutions included

Continued on Page 2

Aid

(297) BD 5/9/97

Continued from Page 1

changes allowing for upfront disbursements to be made to agreed projects. This would improve the cash flow situation, enabling project managers to begin implementation as soon as money was made available.

However, Rajie said the ball was in the EU's court to sign the amendments to the method of disbursements. Additionally, reforms would be made to SA laws governing the Reconstruction and Development Programme Fund, allowing for a speedier release of funds. The VAT charge on aid money would also fall away, Rajie said.

Talks are also under way to beef up government's capacity to absorb aid. Appointing more EU technical experts is being considered.

Boesak gets to keep big legal guns at his side

Beleaguered cleric Dr Allan Boesak will have heavy legal artillery on his side when his trial begins in the Cape High Court later this month. This is after legal aid worth hundreds of thousands of rands – funded by public money – was restored to him this week.

It means he will have one of the country's top counsel, junior counsel, an attorney and a forensic accountant.

Boesak's defence strategy was in jeopardy when the Legal Aid Board announced recently that it was withdrawing funding for his defence. But the embattled cleric's attorney, Chris Petty, said the board had made an offer in open court this week to rescind its decision to set aside legal aid.

The board's earlier decision to withdraw funding followed revelations last month that South Africa's ambassador in Washington, Franklin Sonn, had lobbied businessmen to pay for the costs of senior counsel for Boesak. The assistance meant Boesak could afford to pay expensive senior Pretoria counsel Mike Maritz, who successfully defend Magnus Malan and other generals in the KwaMakutha murder trial.



HELPING HAND: Boesak's trial begins this month

The board had previously turned down Boesak's request for funding for senior counsel.

Wednesday's pre-trial hearing, on whether the main trial of Boesak and his former Foundation for Peace and Justice bookkeeper Freddie Steenkamp should be separated, was postponed in the Cape High Court to September 23.

The two face 32 charges of theft and fraud totalling more than R8-million. Boesak has consistently denied any dishonesty involving the disappearance of the money. – Own Correspondent

Star 6/9/97 (297)

Top counsel on Boesak's side in court

ARG 6/9/97 (297)

Taxpayers will pay

ADELE BALETA

Beleaguered cleric Allan Boesak will have heavy legal artillery on his side when his trial begins in the Cape High Court later this month.

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Dr Boesak's defence strategy was in jeopardy when the Legal Aid Board announced recently that it was withdrawing funding for his defence.

But Dr Boesak's attorney Chris Petty said the board made an offer this week to rescind its decision. This means the junior counsel's salary will continue to be paid by taxpayers.

The Legal Aid Board would continue to pay for Dr Boesak's defence on condition that it be entitled to consider later whether to continue giving monetary aid to Dr Boesak, Mr Petty said.

Comment from the board was unavailable.

The board's earlier decision to withdraw funding follows revelations in the Saturday Argus last month that South African ambassador in Washington, Franklin Sonn, had lobbied South African businessmen to pay for Dr Boesak's senior counsel.

The assistance meant Dr Boesak could afford to pay expensive senior Pretoria counsel, Mike Maritz, who successfully defended Magnus Malan and his generals in the KwaMakuthu murder trial.

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Dr Boesak and Mr Steenkamp face 32 charges of theft and fraud totalling more than R8 million. The charges relate to the alleged misuse of anti-apartheid funding.

Mr Boesak has consistently denied any dishonesty involving the disappearance of the money. Mr Steenkamp has admitted taking R750 000 from the Foundation for Justice and Peace, some of which was used to buy himself cars and a ski-boat.

Project packages build bridges to the mainstream

ARG 6/9/97 (Q97)

Multi-million-rand bid projects have showcased the effectiveness and viability of affirmative tendering procedures, designed to draw small, emerging companies from disadvantaged communities into the mainstream economy.

So far, more than half of the R40-million spent on the R86-million priority project programme has gone to businesses and contractors in disadvantaged communities.

This surpasses the 40% affirmative quota set by the Bid Company.

The programme will also have endowed the poorer suburbs of Cape Town with facilities designed to meet community needs in education and other services as much as the shortage of quality sports facilities.

In the long term, the far-reaching priority-project programme also has the potential to stimulate new development and business and employment opportunities in areas long shunned by investors. Ultimately, this promotes the reordering of the apartheid structure of the city of the past.

Along with the R250-million transport programme, the priority projects stand as the most significant material legacy of the Olympic bid. They are:

- A softball facility to be built at the Turfhall Sports Complex in Athlone (R10-million).
- A Belhar community, sports and recreation hall, earmarked for judo and taekwando during the Olympics (R18,25-million).
- A multi-purpose hall for boxing in Langa (R5-million).
- An indoor multi-purpose hall in Philippi East, earmarked for badminton in 2004 (R18-million).
- An indoor multi-purpose hall in Mew Way, Khayelitsha, earmarked for boxing (R16,7-million).
- A multi-purpose hall in Scottsdene, also planned for boxing (R2-million, in this case, a contribution from the Cape Metropolitan Council).
- An outdoor training facility for baseball in Grassy Park (R2-million).

Each of these buildings have uses beyond sport, and have been designed in consultation with the community.

In rands and cents terms, the most significant legacy has been achieved through the successful application of the so-called "affirmative procurement policy", a tendering system that awards points for price as well as the extent to which the tender promotes the goals of the Reconstruction and Development Programme (RDP).

RDP principles include awarding a portion of work to new and developing contractors; buying materials from previously marginalised suppliers; making use of local labour and developing human potential and resources; and joint ventures with new and developing contractors.

Furthermore, rather than following the customary route of drawing up a single tender to cover an entire project, which invariably means only big companies are able to compete, and sub-contract portions of the work – the Olympic priority projects have been split up into as many as 20 "tender packages".

Roofing or electrical work, for instance, is advertised as a tender package separate from the structural steelwork or concrete construction elements of the project, giving small contractors a chance.

'About 55% of this R40-million has gone to disadvantaged contractors'

Ruben Reddy, priority projects manager at the Bid Company, points out that of the R86-million earmarked for the seven projects, tenders valued at about R40-million have already been awarded, and that work is under way on each of the seven sites.

Among these is the boxing hall and community centre in Khayelitsha which, until earlier this year, was a smelly rubbish dump.

"What is significant is that about 55 percent of this money has gone to disadvantaged contractors, and we expect the percentage to rise," said Mr Reddy.

There have been no compromises on quality, and no loss of time. "We are effectively applying the Government's affirmative action procurement policies for the first time here in the Western Cape, and we are managing to show they are workable, and productive."

The terms oblige companies to draw at least 30% of their labour from the immediate neighbourhood.

Cerebral palsy home has no money, no help

If the centre closes the children, abandoned by their families, will have nowhere to go

Star 8/9/97

By Bunty West

The United Cerebral Palsy Association (UCPA) in Townsview, south of Johannesburg, may look a little run down and institutionalised with its bare walls and large unfriendly rooms, but it is home to 53 youngsters.

Lack of funding and the death of previous director, Dante Puccinelli, after a long illness, contributed to the centre's woes and it is now R250 000 in the red and facing imminent closure.

Many of the young people living there have been abandoned by their families, and Loraine Marshall, the fundraiser can only count on two families to help her with the enormous task of collecting money for the centre.

Residents as young as three months and as old as 30 live at UCPA, all suffering from varying degrees of cerebral palsy.

> **"Only orphans receive help from the Government"**

The condition is caused after the brain is damaged, usually before or just after birth. While the damage affects the sufferer's ability to move arms and legs, turn the head, sit unaided, or even control the muscles required to talk, smile or swallow, most people with CP have average or above average intelligence.

"Families find paying the fees difficult and many have abandoned their children. We have no government help except for the 10 state orphans who receive an allowance. If the centre has to close it will mean that all these children, who come from all over South Africa, will have nowhere to go," said Marshall.

But it's not just the children who will suffer. There are 37 care workers at the centre each trying to give the children a better life.

Alphina Madondo (28) is just one of the staff who would lose her job if the centre closed down.

"I come from Ladysmith and I love being here because the children are so special. My sister has a brain-damaged child so I understand the problems and can help in a limited way. It would be very hard for me to see these children moved into other state institutions," Madondo said.

Areas where help is desperately needed include the fixing of a jacuzzi, which hasn't worked for years, and the repair of a boom at the centre's swimming pool. Children with CP respond positively to water immersion where they can relax muscles and thus encourage free movement of the limbs.

Sprucing up the walls of the children's rooms or donations of food and nappies will help offset costs. Volunteers are also needed to help with the children who respond so well to a little attention.

If you or your company can help call Marshall on (011) 435-0386 or cell 083-302-2588.

DEBBIE YAZBEK



Future uncertain ... children with cerebral palsy receive no financial help from the Government.

Water supply targets being met, says Asmal

In spite of substantial progress, 11 million still do not have access

STAR 9/9/97

POLITICAL STAFF
Cape Town

The Government's programme to provide every household with 25 litres of water per person daily, within 200m of the household, is well on track.

At a briefing on his ministry yesterday, Water Affairs Minister Kader Asmal said 1,25 million people had received water by July this year. The magical 1 million figure had been reached in May and a further 250 000 had been reached by July.

Asmal said 11 million people still did not have adequate access to water. The recently launched so-called Bott programme – build, operate, train and transfer contracts – aimed to provide a further 3,2 million people with direct water sources, mainly in KwaZulu Natal, the Eastern Cape, Northern Province and Mpumalanga.

The initial allocation for Bott was R110,9-million in the Eastern Cape, R186,7-million in KwaZulu Natal, R53,9-million in Mpumalanga and R148,8-million in Northern Province.

The programme is aimed at setting up a partnership between the private and public sectors. It will ensure that companies which win tenders for water supply use local labour to implement them.

In the Eastern Cape the contract was signed with Amanz' Abantu, which means "water for the people".

In KwaZulu Natal the contract was signed with Aqu-Amanzi. The founding members were Jeffares Green Parkman Consultants, Stocks & Stocks Civil Engineering, Aquafund, and Ernst & Young Management Services. In Mpumalanga the contract was signed with Consult Consortium, which includes founding members Consultburo, Wilson Bayley Homes, Ovcon, Rainbow Construction, Coopers & Lybrand, and Krestahague SA.

In Northern Province the contract was signed with the Metsico consortium, whose founding members were Bergman Ingerop, EVN Consulting Engineers, Water & Sanitation Services South Africa, Group Five Civils, and Alhold.

■ A ministerial committee will report to the Cabinet next week on steps the Government can take to minimise the hardships expected from the 1997-98 El Nino weather system in southern Africa. Asmal said the disaster management committee was drawing up an action plan.

SA firms lose out on World Bank projects

Sowetan 9/9/97 (297)

Sowetan Business and Sapa

SOUTH African companies are losing out on billions of rands in World Bank financed projects, said the bank's resident representative in South Africa Judith Edstrom.

Speaking to Eastern Cape business people in Port Elizabeth last week, Edstrom said local businesses were not taking full advantage of World Bank financed projects, which were worth about R88,9 billion a year.

"South African companies and suppliers should become more involved," she said, adding that as members of the World Bank, they had a right and an opportunity to tender for any project around the world.

Despite the opportunities, Edstrom said South Africa's slice of World Bank business had shown a decrease in the past three years.

In 1994 South African companies won contracts worth about R430,56 million.

This rose to R631,8 million in 1995, largely due to drought relief operations in the neighbouring states, but dropped to about R93,6 million last year.

South African consultants had also been slow to take advantage of the opportunities and only 23 were registered with the World Bank.

> **"I believe South Africa has the capability to compete successfully"**

According to Edstrom, the bulk of World Bank funding currently went to East Asia and Latin America, with Africa accounting for R7,95 billion of the loans.

She said there were opportunities for consultants, manufacturers and civil engineering and construction companies.

Edstrom said each World Bank project would be broken down into "a few hundred to a few thousand single contracts" of all sizes, to allow smaller companies to tender.

The bank had a policy of open international tendering.

Local companies had a small advantage in that suppliers and contractors in the borrower's country were encouraged to participate in the procurement process since the bank encouraged the development of domestic industry.

These companies could bid independently or in a joint venture with foreign firms.

But Edstrom said the bank would not accept conditions of bidding which required mandatory joint ventures or other forms of forced association between domestic and foreign firms.

These provisions ensured that as many companies as possible could bid for World Bank business.

Recent contracts won by South African companies include the construction of steel shells for schools in Malawi, a landfill project in Mauritius and a forestry contract in Zimbabwe.

Capability to compete

"I believe South Africa has the capability to compete successfully for World Bank financed business.

"You have an industrialised and mechanised economy on the one hand and on the other you have a knowledge of what works in developing countries," said Edstrom.

...tional Party leader F W de Klerk ... students. Sasco also said it had received

'Olympic' upgrade projects still going ahead

STAR 9/9/97 297

BY JOVIAL RANTAO
Political Correspondent

Cape Town – Despite Cape Town's unsuccessful attempt to host the 2004 Olympics, the projects to build roads, upgrade the rail system, the airport and build infrastructure in Cape Town's poorer communities will go ahead, it was announced yesterday.

Mbali Swana, project manager of the Olympic Bid Company told a press briefing that a total of R1,7-billion was committed to various projects, many of which were already under way.

He identified some of the projects as:

- A R17-million badminton facility in Phillipi East.
- A R18,5-million judo facility in Belhar.
- Boxing facilities in Khayelitsha, Scottsdene and Langa (R25,5-million).
- A baseball stadium in Grassy Park (R2-million).
- A softball stadium in Turfhall (R10-million).
- A R200-million project to upgrade the Cape International Airport, with a further R500-million committed for the next five years.
- Seven railway stations were being upgraded at a cost of R47-million.

"Construction of these projects is continuing and they will be handed over to the communities in the first quarter of 1998," Swana said.

He was unhappy that the Western Cape provincial government and the Tender Board had not co-operated with the project teams.

Meanwhile, Sports Minister Steve Tshwete and advocate Mojanku Gumbi have reacted angrily to statements by Western Cape Premier Hernus Kriel that the ANC manipulated the Olympic bid for political ends.

Failure of bid will not halt progress

Tshwete and Gumbi launched an attack on Kriel and the National Party yesterday and said that the allegations that the ANC had cost Cape Town the opportunity to host the 2004 Olympics was an indication of the NP's readiness to sink into a political cesspool.

Tshwete described the NP as the "skunk of the world" and said Kriel had become a "physical embodiment of the frustrated fortunes of that party".

"It's contemptible in the extreme and once again marks the aberrations of a party that has lost not just its direction but its soul as well," Tshwete said.

Kriel has also complained that he was sidelined in Lausanne during Cape Town's unsuccessful bid.

He said he was never invited once to presentations by the South African delegation to the International Olympic Committee.

Tshwete said that if the ANC had not wanted the bid, it would not have supported the idea when it was mooted and would not have endorsed Cape Town – "a white enclave" – as a host city.

However, he said, "it would have been stupid to do so".

He said the Government became involved by establishing a cabinet committee for the bid in order to address the concerns of the IOC members that the bid would benefit the white communities of Cape Town and that the Government was half-hearted in its support.

Tshwete also dismissed allegations that Bid Company chairman Chris Ball was an ANC appointment.

Democratic Party leader Tony Leon said yesterday that despite offering help, his party and the Pan Africanist Congress were not asked to assist in Lausanne.

"So please don't blame us," he said.

Leon also blamed the media for the lack of balanced reporting.

"If over the past two weeks you had been in Cape Town as I have been, reliant on local newspapers and the SABC, you would have assumed it was all over for the city bar the shouting," he said.

Leon said that contrary views had been suppressed; critical, analytical discourse had been almost absent; and a balanced picture had not been presented.

"Papers carried patriotic pieces of promotional puffery which simply made the final letdown that much greater for a population which had been led to believe that Madiba magic and good intentions could win the day against all-comers."

WS

GAMBLING *Proposed law still needs last-minute changes*

Flag up for lotteries system

CT (BR) 9/9/97 (297)

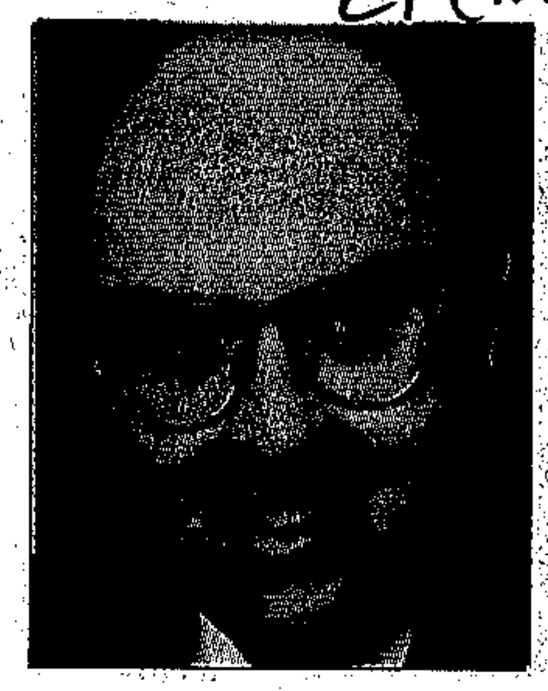
LYNDA LOXTON
PARLIAMENTARY CORRESPONDENT

Cape Town — Several last-minute amendments still had to be made to South Africa's proposed new national lotteries legislation, but the new system should be up and running by the end of next year, the parliamentary trade and industry committee heard yesterday.

Ajay Sooklal, the trade and industry department gambling and lotteries director, told the committee it was important the legislation be adopted by parliament as soon as possible as the department was under pressure to meet deadlines.

The legislation has been passed by the National Assembly and the amendments will be considered by the National Council of Provinces later this month. They cover a clause that had in effect outlawed some competitions run by the racing industry. This would have affected 90 percent of the turnover of the Totaliser Agency Board and threatened thousands of jobs.

Another amendment would also review the R1 million-a-year cap on the value of promotional competitions that



IN RUNNING *Chris Fismer, former general affairs minister*

are run by companies.

In terms of the legislation, it was envisaged that the licence for the operation of the new national lottery would be awarded by the end of June next year.

"Experience elsewhere in the world has shown it will take the operator approximately six months to set up the lottery operation through the training of staff, installing computers and the like," Sooklal said.

The new Gambling Act had been passed by parliament but the board overseeing the gambling industry had not yet been appointed. Chris Fismer, the former general affairs minister, had been recommended as the first chairman of the board, and it was expected this appointment could be ratified before the end of September.

In terms of the legislation, 40 casino licences will be granted. Sooklal said Sun International, the main operator, would have to reduce its number of casinos from eight to three in the Eastern Cape and from seven to three in the North West by 1999. It will retain its one operation in the Free State and one in the Northern Province.

Sooklal said government was aware there were many controversial aspects to introducing legalised gambling in South Africa, and special attention would be paid to minimising adverse socioeconomic effects such as an increase in compulsive or so-called pathological gambling.

A great deal of research had been done in Australia on the socioeconomic effects of gambling, and the department was considering duplicating several steps taken there to prevent abuse and negative effects on families.

Cosatu hits out at CSI strategies

297

SHIRLEY JONES
KWAZULU NATAL EDITOR

ET (BR) 9/9/97

Durban — Large companies appeared to have millions to plough into social investment programmes, but claimed they could not pay acceptable wage increases or avoid retrenchments, Paulos Ngcobo, Cosatu's provincial secretary, told the national CSI Conference held in Durban yesterday.

In a scathing attack on CSI (corporate social investment) strategies, Ngcobo said workers found it difficult to understand how leading corporates like South African Breweries could hand over massive sponsorships to sports teams like the Bafana Bafana in the name of CSI while withholding wage increases. He said CSI and labour could no longer be divorced. "Spending on labour and spending on CSI projects are not mutually exclusive. They are intrinsically linked, but this link is sadly not acknowledged by the corporate sector."

The CSI philosophy of the present was founded on the belief that companies' business was business and not the needs of the poor, uneducated or unemployed, he said.

Putting CSI in a box tended to minimise the threat of it being used by unions to advance their demands for more fundamental changes in companies, such as joint decisions on the spending of company profits.

Ngcobo said CSI had its roots in black empowerment. However, empowerment meant giving workers a significant portion of company equity rather than using CSI as an escape from sharing corporate wealth with the very workers who had played a pivotal role in creating that wealth.

While Cosatu was not blind to the achievements of CSI, there was a difference between being unquestioningly grateful to the corporate sector and wanting to deepen and add value to the objectives of social investment. CSI needed to become a core element of a joint management-labour transformation partnership, Ngcobo said.

Lotteries bill to be amended to prevent horse-racing industry's downfall

BD 9/9/97

(297)

Wyndham Hartley

CAPE TOWN — Last-minute amendments would be made to the National Lotteries Bill to prevent the destruction of the multibillion-rand horse-racing industry and the potential loss of thousands of jobs, Parliament's trade and industry committee heard yesterday.

There were predictions that the cash-strapped provinces would also be hard hit if the legislation went through in its present form, as it would drastically reduce the tax revenue earned by the regions from the industry.

Ajay Sooklal, trade and industry department director of gambling and lotteries, said the bill, which had been approved by the National Assembly, would have to be amended by the National Council of Provinces committee before it became law.

Sooklal said that after the National Assembly approved the bill, urgent representations were made by the Gauteng economic affairs MEC, the Totalisator Agency Board and the Gauteng Gambling and Betting Board for the definition of "sports pools" in the legislation to be changed. They said that in its current form the bill would exclude 90% of the industry's turnover, which came from pick six and similar competitions.

Sooklal said there were about 15 000 to 20 000 racehorses in the country and five people were directly or indirectly employed for each one.

Thousands would lose their jobs.

The national government was responsible for legislating on sports pools as defined in schedule 4 of the constitution. A new definition of sports pools should be devised which accommodated the concerns of the horse racing industry and the provinces, he said, but great care should be taken not to allow others to exploit the new wording and thus threaten the national lottery.

Sooklal said it was important that the bill was adopted as soon as possible so as to minimise delays before charities and other organisations began to feel the benefit of the money raised.

The scheduled launch of the national lottery was now the end of next year. Between now and June next year the legislation would have to be finalised, submissions made on the final licence conditions, bids made by private companies to run the lottery on behalf of the state and a final choice made. Trade and Industry Minister Alec Erwin would then award the licence.

Betting's on for a people's lottery

(297) CT(BR) 10/9/97

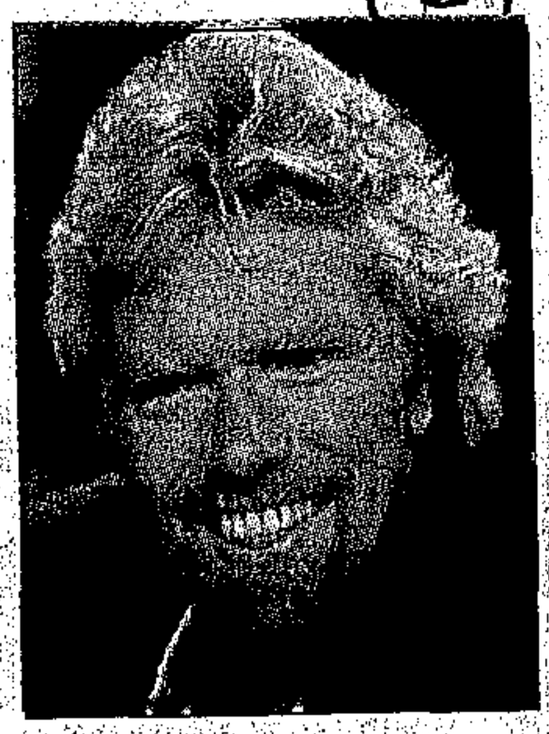
MATT GETZ

Johannesburg — The government must not make the same mistakes as the British government in setting up a national lottery, Richard Branson, the entrepreneur, said yesterday.

"In England, they set up the lottery with shareholders who creamed off millions. It became known as the lottery of greed," he said. "You have the opportunity here to create a lottery of good, a people's lottery, something people can be proud of. It is critical that South Africa does not make the same mistake."

Branson said the government must ensure, as happened in most countries, that the lottery is administered by a competent and non-corrupt business organisation, and all the proceeds should go straight to the government's "charity arm".

He said he would meet Alec Erwin, the trade and industry minister, this weekend to discuss his thoughts regarding the lottery.



A VIRGIN FIELD *Richard Branson advises on the lottery*

A lottery would have to be regulated because it was risk-free, simple to run and constituted a monopoly.

Virgin had no desire to become involved in the local lottery, but its presence in South Africa is to increase in other ways, Branson said.

Virgin Atlantic Airways has increased its weekly flights to South Africa from three to seven since it began operating here last October.

The company has talked about introducing its Virgin Record Megastores in South Africa, but the plan has yet to come to fruition. "We keep promising the megastore and not delivering," Branson said. "We still haven't found the ideal site."

Virgin would also probably get involved in radio and finances. "We want to get Virgin Radio set up down here. If another licence opportunity comes up, we will battle for it."

Virgin Direct, which allows customers to make investments over the phone, would be introduced to South Africa next year, independently or with an established company.

Virgin will also take on Coca-Cola through its Virgin Cola. The company also markets vodka.

Branson said there was talk that Virgin was to go into banking. In light of the company's history, such a development would not be surprising. "I enjoy the challenge of taking on major industry."

Aid disbursement problems 'astonishing'

10/10/9/97 (297)

John Dludlu

IT IS "astonishing" that three years after the elections government is still experiencing problems with the implementation of foreign aid funds, says African National Congress MP Ben Turok.

Turok was responding to last week's disclosures that technical hurdles were slowing down disbursements of the European Union's (EU's) aid package to SA.

Turok said "not every department" was committed to the involvement of civil society in aid disbursements. This was, in part, due to insufficient accountability within nongovernmental organisations.

Turok noted government's inability to link up with these groups.

Deputy President Thabo Mbeki recently disclosed that between November 1995 and March this year, SA received more than R265m in official developmental assistance from foreign donors. Nearly half of the funds received was allocated to nongovernmental organisations.

Turok believed that fast-track measures could be implemented to speed up development assistance through the involvement of civil society if there was political will.

Apart from technical difficulties — such as different tender procedures — it is generally accepted that government personnel handling aid at the finance department are inadequate. But Shaheed Rajie, the finance department director in charge of international development co-operation, has said measures were being implemented to improve the pace of EU aid disbursements to SA.

(297)

NONGOVERNMENTAL ORGANISATIONS

Finally, a move to deregulate

Welfare Minister Fraser-Moleketi moves to unfetter private groups

FM 12/9/97

Nongovernmental organisations (NGOs) have welcomed new draft legislation which minimises State regulation of the sector.

The Not-for-Profit Organisations Bill is a bold move by the Department of Welfare that runs counter to parliament's tendency to regulate and intervene in civil society.

It is also an about-face from the original draft prepared last year by private lawyers which provoked such strong public outcry that the department had to retreat. It would have obliged NGOs to register with a State-controlled commission with wide powers to intervene in NGOs' affairs.

The new Bill goes to the opposite extreme by doing away with all restrictions on fundraising. The possession of a fundraising number is no longer a requirement for raising money from the public. Registration of NGOs with the department is voluntary, the process is simplified and subjective discretion is removed.

Welfare Minister Geraldine Fraser-Moleketi says the Bill is "a fundamental shift from the Fundraising Act, from government control and intervention, to a climate of freedom and voluntary association."

It leaves the policing of the NGO sector to the criminal justice system, though the department supports moves by the SA National NGO Coalition to establish a voluntary code of conduct for the sector.

The Not-for-Profit Bill repeals large sections of the Fundraising Act, which is widely seen as inhibiting NGOs by restricting fundraising by area, racial group and purpose. NGOs have often complained about delays in registration and the high cost of complying with the Act.

The Bill leaves open the question of whether to exempt NGOs or donors from taxation. Fraser-Moleketi has indicated she will decide on the tax issue after seeing reports of the Finance Department and the Katz Commission on taxation.

Race Relations spokesman Colin Douglas hails the Bill as "one of the most enlightened pieces of legislation to have been presented to this parliament." Standard Bank Foundation manager Don Macey says it should encourage partnerships between donors and NGOs. It is scheduled for public hearing on October 6. **Claire Bisseker**

NGOs to hold indaba next week to discuss fight against poverty

(297)

ARG 12/9/97

THABO MABASO
BUSINESS REPORTER

Non-Governmental Organisations (NGOs) in the Western Cape will hold an indaba in Salt River next week to discuss the best methods of getting rid of poverty.

NGO Coalition's Western Cape chairman Willem du Toit told the Cape Argus that the indaba had been necessitated by the Government's inability to adequately deal a blow to poverty.

"We are sick and tired of being taken on as victims of the institutional process in South Africa, and the NGOs are setting forward a new agenda for building collaborative partnerships with both the public and private sector," Mr Du Toit said.

The lack of improvement of the lives of people in poor communities had resulted in foreign donors coming back to South Africa and offering to assist where they could.

Many foreign donors stopped funding South African NGOs after the 1994 general election.

The funders told South African NGOs that they should seek funding for their projects from the Government and other institutions.

There were countries in areas such Eastern Europe and parts of Africa that needed financial assistance more than South Africa, the donors said.

"There is a renewal and revitalisation of relations between NGOs and their foreign funding supporters," Mr Du Toit said.

"The donors have noticed that the delivery process is extremely slow, and that the democratic process needs a lot of institutional development.

"Democracy is a process that needs to be nurtured," he added.

Next week's meeting would hopefully come up with a plan to address some of the hiccups in the delivery of essential services, Mr Du Toit said.

Various meetings will also be held in other parts of the country next week.

Low-rate loans to be phased out

(297)

Lucia Mutikani

BD 12/9/97

THE Industrial Development Corporation was phasing out its World Player low-interest financing scheme, and would only accept applications submitted before March 31 next year, the corporation said yesterday.

It said most companies should have finalised their modernisation programmes by the end of the second quarter of 1998.

The scheme provides low-interest financing at either 13,5% fixed, or prime less 5% for plant modernisation, expansion and the establishment of new ventures or production capacity to improve international competitiveness.

The scheme is available to manufacturers in the textile, clothing, footwear and motor vehicle component sectors and to all other manufacturers whose total nominal ad valorem import tariff will decrease by at least 10% over the period 1995 to 1999.

The corporation approved 56 loans valued at R627m under the scheme since November 1995. Of this R261m was approved in KwaZulu-Natal, R144,2m in the Eastern Cape, R125,4m in the Western Cape and R94m in Gauteng.

The sectors to utilise the funding were textile and clothing which took up 58%, motor vehicle components 22%, rubber and plastic products 9%, footwear 5% and other sectors 6%.

In addition to helping these sectors protect about 31 800 jobs, the scheme had contributed to creating 2 930 jobs and to the generation of an additional R520m of annual exports.

NGO sector strengthened

Sowetan 16/9/97 (297)

Sowetan Business Reporter

SOUTH African NGO Coalition president Advocate Rams Ramashia will assume the leadership today of the Sedibeng Centre, the newly established non-governmental organisation aimed at enhancing the professional competence of NGOs and relevant organs of government.

Ramashia, who has served the NGO sector for 14 years in various capacities, says the centre will pave the way to a stronger NGO sector by providing co-organisational development services.

Part of its mission will be to reorientate the NGO movement towards executing their tasks "by complementing the newly elected government's development objectives".

"Previously, the NGO movement conducted their business in an adverserial manner as the government of the day did not enjoy the consent of the majority," says Ramashia.

The keynote speaker at the centre's launch in Johannesburg will be Deputy Minister of Trade and Industry Phumzile Mlambo-Ngcuka.



Rams Ramashia, new chief executive of Sedibeng Centre.
PIC: MANDLA YENDE

Ramashia says *sedibeng*, a Sotho word meaning fountain, will enhance the effectiveness of NGOs through institutional capacity development, strengthen the capacity of NGO consortiums to carry out their programmes and to promote partnership among NGOs, government and the private sector in the planning and implementation of development projects.

Ramashia, who will head Sedibeng as chief executive, also served on the advisory committee set up by Deputy President Thabo Mbeki to advise how the Government and civil society should interface to promote participatory development.

Funds for the centre will largely be drawn from international agencies and foundations. And in order to ensure its long term financial sustainability, fees will also be charged for some of its services.

The centre's workshops will address a variety of development needs including comprehensive institutional development, strategic planning, effective organisational governance, financial management, financial sustainability, team building and human resources policies.

NEW

NGOs gear up for battle on poverty

Hundreds of representatives from non-government organisations (NGOs), the Government, the labour sector and public stakeholders are to meet in Bloemfontein this weekend to round off the "Uniting to Fight Against Poverty" NGO Week '97.

The South African National NGO Coalition (Sangoco), which was formed two years ago as an umbrella body, hopes that the Bloemfontein conference will develop a clear programme of action for NGOs.

Sangoco executive director Kumi Naidoo said: "The South African NGO sector should emerge out of NGO Week '97 more confident, united and ready to meet the challenges of poverty eradication and alleviation with courage."

He said he expected NGOs to make plans at the conference to fight poverty and inequality with "the same determination that characterised the fight against apartheid". – Staff Reporter

Star 18/9/97

[redacted]

Charities slam plan to drop fundraising rule

'Number' system may be scrapped

(297) ARG 19/9/97

NORMAN JOSEPH
STAFF REPORTER

The Welfare and Population Development Department's proposal to scrap restrictions on fundraising has come under fire from non-government, welfare and charity organisations.

Welfare Minister Geraldine Fraser-Moleketi has tabled legislation in Parliament to reform the operations of NGOs and scrap the need for fundraising numbers.

A fundraising number would no longer be a requirement for raising funds from the public.

An explanatory memorandum to the bill says it is intended to complement attempts by the Government and other "stakeholders" to create an environment for non-profit organisations.

But prominent organisations in the Peninsula said that if legislation was passed to scrap fundraising numbers, their efforts to raise money would be thrown into disarray.

Douglas Davidson, the South African Red Cross Society's Western Cape area manager, said a "free-for-all" would develop.

People's attitudes towards organisations attempting to raise much-needed funds would change.

"I know of 66 NGOs all wanting to survive."

With a fundraising number there was a "controlled law" and the organisation asking for pledges was accountable for the funds.

Society for the Prevention of Cruelty to Animals (SPCA) spokeswoman Adele Walker said there were so many charity organisations needing financial help and the new policy was "not good at all".

The SPCA had an internal policy whereby staff members were allotted areas in Cape Town and Gauteng to collect funds. New legislation would seriously affect their efforts.

Cafda Community Centre chief executive officer Neville Pillay said he opposed the idea.

One of the disadvantages was that it would be easier for people not belonging to any organisation to "go around collecting money".

The advantages were that it would be easier for destitute organisations to hold fundraising events.

But Community Chest spokeswoman Amelia Jones said her organisation supported the legislation, saying it could provide a choice for organisations of how to raise funds.

A new policy might also make for "a vibrant civil society".

'No-go Vosloorus area a showcase of delivery'

(299) (229) BD 22/9/97

Josey Ballenger

THE violence-torn, "no-go" Vosloorus of a few years ago had been upgraded with "real delivery" attributed to government and community partnership and the Masakhane campaign, President Nelson Mandela said at an African National Congress rally at a Vosloorus Stadium in the East Rand yesterday.

"The changes warm my heart ... the 'no-go' districts of the past appear to have gone. The houses that were destroyed now have shiny new roofs," Mandela said to the 30 000-strong audience. "Our opponents say we have good policies but cannot deliver. They should come to Kathorus and see what real change means."

Through the Kathorus Special Presidential Project, more than R30m had been spent on improvements, including two reservoirs, and an anticrime programme. More projects were under way or slated to start soon, such as the construction of Thokoza Stadium, a new community hall and library in Phola Park and the Oliver Tambo wing at the Tambo Memorial Hospital in Boksburg.

Mandela said that only four years ago, the community had been divided into "two groups (the ANC and Inkatha Freedom Party) at war with each other.

"But today it is different," he said.

Hostels were being upgraded, ANC and IFP members jointly welcomed him and, in the Kathorus area alone, more than 1 000 homes had been repaired, with a further 600 soon receiving attention.

However, Mandela warned that "criminal elements" such as electrical cable thieves still existed, who were "not interested in building a better life". Rape, murder, assault and child abuse were on a slight decline but were still too high. He called on community to "strengthen the hand" of the SA Police Service, the army, provincial and local government and community policing forums.

Concerning political violence, community needed to "beware of associations which claim to want democracy and development," but which commit violent attacks on elected councillors. To settle political arguments through violence is totally contrary to democratic principles.... Only those who want a return to apartheid benefit from this."

Sapa reports that re-elected Congress of SA Trade Unions secretary-general Sam Shilowa, who accompanied Mandela, recommitted the federation to the tripartite alliance.

He said many opponents of the alliance were disappointed that Cosatu's sixth national congress at the World Trade Centre this week was not an anti-ANC gathering.

Survey highlights welfare disparities among provinces

(297) BD 22/9/97

Bonile Ngqiyaza

THE welfare department has put out a statistical review detailing information on welfare facilities in SA's nine provinces.

The survey highlights some of the disparities between provinces which were inherited from the previous government.

The document — compiled this year and the first of its kind by the department — gave an overall picture of welfare facilities in the country, a spokesman said.

According to the document, SA had a total of 6 680 welfare facilities that provided for 325 471 people — or 0,79% of the total population of 41 244 430.

Gauteng (24,73%) and the Western Cape (24,66%) had most facilities, followed by the Eastern Cape (8,41%) and KwaZulu-Natal (2,96%).

The document noted that most facilities were for the aged — 42 366 — and said there was a need to refocus on facilities for children.

With regard to old-age centres, the document said most were in Gauteng and the Western Cape.

"Although most of the aged are in the Eastern Cape and KwaZulu-Natal, these two provinces have fewer of these centres," it said.

The report showed SA had 31 drug dependency treatment centres, 14 of them or 45% in Gauteng. KwaZulu-Natal and the Western Cape had five centres each, Mpumalanga two, and the rest one each.

The statistics showed that 1 200 drug dependency cases were treated in Gauteng, and 1 110 in the Western Cape. These two provinces treated the most patients.

The review said the Eastern Cape, the Northern Cape, the Free State, North West and the Northern Province, which all had only one centre each, treated more patients than their bed numbers provided for.

KwaZulu-Natal had the highest number of places of safety for juveniles (18%) followed by Gauteng, the Northern Cape, and the Western Cape with 16% each.

The Eastern Cape accounted for 13%, the Free State for 5% and the North West 3%.

"In general, there are a few beds available in places of safety in SA, compared with the number of children who have to be admitted while awaiting trial," the document said.

EU commits to SA public in aid plan

John Dludlu 297

THE European Union (EU) has renewed its commitment to involve civil society in its development aid programme in SA at the launch of nongovernmental organisation (NGO) week in Bloemfontein on Friday.

EU ambassador Erwan Fouéré pledged R200m worth of grants a year to NGOs until 1999. This figure represents about 25% of the EU's aid package for SA.

He told the function that community-based organisations had a vital role to play in ensuring the implementation of government's and development strategies.

"Being the eyes and ears of these communities, and situated in areas where government does not yet have the capacity to deliver, it is the NGOs ... that are best placed to ensure the implementation of a growth strategy based on equity and social justice," he said. BD22/9/97

The EU's relationship with society goes back to the 980s when the EU channelled almost R2bn between 1986 and 1994 to SA's apartheid victims via the Kagiso Trust, SA Council of Churches and trade unions.

Deputy President Thabo Mbeki told Parliament recently that between 40% and 50% of aid to SA was allocated to nongovernmental bodies. He said government had a policy of supporting a strong and independent civil society.

The EU is also supporting the Transitional National Development Trust, forerunner to the National Development Agency, with R80m. Fouéré said the EU would support the agency when its modus operandi had been clarified.

Govt not focusing on poor, say NGOs

(297)

NONGOVERNMENTAL organisations (NGOs) yesterday criticised government's economic policies for not focusing on the poor.

The SA National NGO coalition (Sangoco) said its annual conference agreed government's social spending was insufficient to address the needs of the poor.

It also called on government to allocate at least R15bn a year to the National Development Agency, to be set up next year to fund NGOs.

Criticising government's macroeconomic policy, Sangoco said a new approach was required. Its conference resolved to set up an economic commission to find ways to deal with poverty and inequality.

A strong economy should be built which was sensitive to the legacy of apartheid.

It was important to guard against the "creeping amnesia" that seemed to be gripping SA and remember how many social backlogs needed to be overcome, Sangoco executive director Kumi Naidoo said. — Sapa.

BD 23/9/97

Separation of Boesak trial

Sowetan 24/9/97

297

By Ido Lekota
Political Reporter

FORMER head of the Foundation for Peace and Justice, Dr Allan Boesak, who is facing charges of fraud and theft, made another brief appearance in the Western Cape High Court yesterday.

Appearing with him was his former bookkeeper and co-accused Mr Freddie Steenkamp.

Both Boesak and Steenkamp are accused of having defrauded the foundation of funds amounting to at least R8 million.

Steenkamp has since confessed to having used at least R750 000 to buy goods including a boat.

Boesak's case has been postponed to February 16 next year, while Steenkamp will appear again on October 20.

Yesterday state prosecutor Advocate JC Gerber said the state had agreed to a separation of trials after Steenkamp had indicated that at his next appearance he would plead guilty to "certain charges" which would only be revealed then.

Both Boesak and Steenkamp's legal expenses are paid for by the legal aid fund.

Interested parties have until September 30 to submit comments or objections regarding the proposed statutory measures. — Sapa.

Guilty plea by Boesak's co-accused 'mitigative'

(297)

Linda Ensor

BD 25/9/97

CAPE TOWN — The guilty plea by Allan Boesak's co-accused, Freddie Steenkamp, to a substantial number of fraud and theft charges laid against him, could be a significant factor in mitigation of his sentence, legal experts said yesterday.

A plea of guilty normally indicated remorse, which might be taken into account by the judge during sentencing.

The Cape High Court was informed by state prosecutor JC Gerber yesterday that former Foundation for Peace and Justice bookkeeper, Steenkamp, would plead guilty to some of the 31 charges of fraud and theft. His trial was therefore automatically separated from that of Boesak who has indicated he would plead not guilty when his trial resumed on February 16.

Judge-President Gerald Friedman expressed concern about the length of time taken to bring the case to trial and hoped it would proceed in February as scheduled. Gerber said the plea was acceptable to the state, but denied any deal had been struck with Steenkamp. "We don't do deals in SA."

Steenkamp could testify when his trial commenced on October 20, thereby offsetting any possible advantage that Boesak might have been able to derive in his defence from his plea of guilty.

The state alleged that Boesak and Steenkamp personally enriched themselves by more than R1m each from the misappropriation of R9m in donor funds intended for the foundation.

US backer wants 'best defence' for Boesak

M+G 26/9-2/10/97

(297)

Mungo Soggot

A new mystery backer has leapt to the support of Allan Boesak and hired President Nelson Mandela's family lawyers to brief senior counsel for the alleged fraudster.

Ismail Ayob, the senior partner at Ismail Ayob and Partners and longtime attorney for the Mandela family, says his firm is acting for a client from the United States "whose name we are not authorised to disclose".

Ayob says his client is "extremely concerned about Boesak obtaining the best possible defence. Our client was of the view that an adverse verdict by a court would impact adversely upon our client." Ayob will be working with Pretoria law firm Stegmanns, which is already representing Boesak.

He rules out the possibility he is acting for South Africa's ambassador to the United States, Franklin Sonn, who admitted last month to drumming up financial support for Boesak's defence.

This latest development in the saga over Boesak's representation at his R1,1-million fraud trial in Cape Town follows the Legal Aid Board's announcement last month it would withdraw all Boesak's funding.

The board — which had taken the controversial step of agreeing to pay senior counsel and attorneys not based in the city where the trial is taking place — refused to be "joint funders" after it emerged Sonn was bolstering Boesak's defence budget.

Boesak took the board to court and it subsequently agreed to review its decision. In the meantime it continued funding his defence — apart from



Allan Boesak: Mystery backer

senior counsel.

The board said this week if could still pull the plug on Boesak. Senior official Peter Brits says they will meet on October 1 to discuss whether to continue funding Boesak if his team "persists in its attitude of obtaining outside funding".

Boesak's trial was postponed in the Cape High Court this week until February 20, after Judge Gerald Friedman ruled that Boesak and his co-accused, Freddie Steenkamp, should be tried separately.

Ayob is briefing Mike Maritz, SC, who was originally lined up by Stegmanns to represent Boesak. Maritz represented former defence minister Magnus Malan last year.

The Baptist Seminary in Berkeley, California, for which Boesak worked, said last month that it was not backing Boesak. The Orinda Presbyterian Church, which also employed Boesak, could not be reached this week.

Development trust not 'a govt animal'

CT 30/9/97 (297)

CHRIS BATEMAN

THE country's top development agency, the Independent Development Trust, would resist those who believed changing it into a statutory body would "turn it into a government animal", its chairperson, Dr Mamphele Ramphele, said yesterday.

Answering questions at the launch of a book about the IDT by IDT trustee and former newspaper manager Mr Jolyon Nuttall, Ramphele said governments world-wide had a "100% failure rate in being development agencies".

However, they were "good at creating a development environment".

It was for this reason that transforming the IDT into a statutory body answerable to Parliament was "important and necessary".

Ramphele said it was vital for what would be called the National Development Agency (NDA) to have the autonomy to carry out its mandate.

Asked if she knew anything about the IDT's being moved to Gauteng or Pretoria, she said it was too early to say.

"I don't think location is a problem, provided it's not a move to be under the thumb of government."

While there were those who understood the importance of a statutory body that had enough autonomy, there were others who believed that the NDA would have to be a "government animal".

"I tested this out and was told that the government ... regards the IDT as a national asset," Ramphele said.

Talks between the IDT and a cabinet sub-committee last month had led to agreement that the IDT would make a financial contribution to establishing the NDA and that public hearings would be held to appoint a board for the NDA.

● See Page 27

Mandela's lawyers to help defend Boesak

(297) ET 30/9/97

PRESIDENT Nelson Mandela's family lawyers, Ismail Ayob and Partners, have been hired by a mystery US benefactor to brief senior counsel acting for Dr Allan Boesak, who goes on trial early next year.

The Mail & Guardian reported last Friday that Mr Ismail Ayob had confirmed that his firm was acting for a client in the United States — "whose name we are not authorised to disclose".

Ayob said his client was "extremely concerned" that Boesak should have the best possible defence.

"Our client was of the view that an adverse verdict by a court would impact adversely on our client," Ayob was quoted as saying.

He also ruled out the possibility that he was acting for South Africa's ambassador to the United States, Mr Franklin Sonn, who has admitted campaigning for financial support for Boesak's defence.



HIRED: Ismail Ayob

Boesak, former head of the defunct Foundation for Peace and Justice, is to stand trial on February 16 next year on 32 charges relating to fraud and theft amounting to some R9 million.

It is alleged he enriched himself by misappropriating Swedish and Danish funds intended for the fight against apartheid. Boesak has consistently denied any impropriety, saying its was the foundation's bookkeeper, Mr Freddie Steenkamp, who looked after the books.

The Legal Aid Board announced last month that it would withdraw all Boesak's funding. The board, which had decided to pay senior counsel and attorneys not based in Cape Town, refused to be "joint funders" of Boesak's trial after it emerged that Sonn was campaigning for funds for his defence. Boesak took the board to court and it subsequently agreed to review its decision. — Staff Writer

DEVELOPMENT *Agency wants to be an independent facilitator*

IDT in talks over its restructuring

CT(BR) 30/9/97 (297)

CHRISTO VOLSCHENK
ECONOMICS EDITOR

Cape Town — In the first seven years of its existence the Independent Development Trust (IDT) spent R3 billion of the R3,6 billion available to it on development projects, but now it was locked in negotiations with the government over the way the remaining R600 million should be spent, Merlyn Mehl, the IDT chief executive officer, said yesterday.

The trustees of the IDT would prefer the remaining money to be spent on the running of the institution rather than on projects.

"We want the IDT to be transformed from a development funding agency to a development facilitation agency and the remaining R600 million to be used to fund the new agency's operations into the future," Mehl said.



CONFIDENT *Mamphela Ramphele, the IDT chairman*

"But the appropriate form and function for the new IDT is still being negotiated and would only be finalised by the end of the year," Mehl said. "We aim to have the new IDT up and running by March next year."

He said the new IDT would mobilise public money from the provinces to finance projects facilitated by the IDT.

"Up to R700 million could be mobilised every year," Mehl said.

The IDT was conceived in 1990 by the previous government as a development agency and was given R2 billion to fund the projects it selected.

Over the next seven years, about R1,6 billion was earned in interest on the R2 billion and about R3 billion spent on 8 800 projects.

Mamphela Ramphele, the chairman of the board, said the IDT should be turned into a statutory body to function independently of existing development institutions.

"We are confident the IDT could be repositioned without losing the expertise and knowledge gained of alleviating poverty in rural communities," she said.

More than R11bn committed to Maputo development corridor

BD 02/10/97 (297) ~~$78~~

Robyn Chalmers

NELSPRUIT — More than R11bn had been committed to the Maputo development corridor, with a further R15bn expected to be approved soon, Maputo Corridor Company CEO Dave Arkwright said yesterday.

Speaking at a conference on the project, he said the initiative had moved out of the planning stage and into the operational phase.

Total investment in the corridor could ultimately be 10 times what had already been committed.

"There is huge investor interest in the corridor ... (and) neighbouring states have indicated they wish to get involved," he said.

Among the R11bn approved mega-projects are the $1,3bn Mozal aluminium smelter, the $900m Palmag project, three casino projects in Mpumalanga valued at $200m and a host of tourism schemes.

Arkwright said feasibility studies were under way for the $1,1bn iron reduction plant in Maputo, the $300m NPK fertiliser scheme and the $260m Red River project. However, financial closure between government and the Trans African Concessions Consortium (Trac) on the $400m toll road between Witbank and Maputo had not yet been achieved. Financial closure, which means all aspects of the contract must be agreed upon by all the parties, should be achieved by next month, Arkwright said.

The short list of bidders to revitalise the Maputo port should be finalised soon, along with bidders for the railway network upgrade and operation.

Mpumalanga economic affairs department economist Jonathan Mitchell said government was looking at ways to maximise the effect of the corridor within Mpumalanga. While the province had a fairly dynamic economy, this was not translating into jobs, with poverty levels at 52% of the population and "extreme deprivation" in many former homeland areas.

Mitchell said tender guidelines had been produced for Trac to make it more "small, medium and micro" enterprise friendly. A major drive to promote secondary investment in factories, hotels and casinos had been undertaken. A number of investment studies had been launched, including a strategic environmental management plan.

"We are focusing closely on capacity building with local government and are considering local economic development plans for 23 of the 44 local authorities affected by the corridor."

Of the R11bn committed to corridor projects, about R8bn would be invested in Mpumalanga, Mitchell said.

I followed Boesak's example, envious Steenkamp tells court

(297) BD 22/10/97

CAPE TOWN — African National Congress (ANC) leader Allan Boesak used money donated to a charity he ran for his own purposes, his former bookkeeper said yesterday.

Freddie Steenkamp admitted at the fraud and theft trial that he, too, took money donated to Boesak's Foundation for Peace and Justice. He said he followed the example of Boesak, 52, who will stand trial separately in February.

Boesak and Steenkamp face 62 charges of theft and fraud involving more than R2m following a 12-month investigation by the Office for Serious Economic Offences. They are accused of misappropriating money donated by singer Paul Simon, the Coca-Cola Foundation, Scandinavian aid agencies and others.

Steenkamp pleaded guilty on Monday to six fraud charges totalling R906 000. In his confession and testimony yesterday, Steenkamp said that seeing Boesak using money from the charity for personal reasons led him to do the same. He said Boesak used foundation money to pay debts run up by his second wife, Elna. "My approach to the problem was basically that if it was acceptable for Boesak, then it was acceptable for me," Steenkamp told the Cape Town High Court.

The small, bespectacled Steenkamp described yesterday how donations came from organisations wanting to help the needy in SA and to aid the anti-apartheid struggle.

Donors usually made few demands on how the money should be spent, said Steenkamp. This resulted in a series of personal loans to foundation staff that often were written off at year's end. Accounts such as the urban discretionary account hid the loans from the foreign donors, he said. "Boesak used the money in the urban discretionary account as if it was his own."

Envious of Boesak's lifestyle of first-class travel and fancy cars, Steenkamp increased the amount he skimmed from foundation accounts. —Sapa-AP.

Boesak 'morally to blame for theft of foreign funds'

CT 23/10/97 · 0 (297)

DR Allan Boesak was named in the Cape High Court yesterday as bearing at least moral blame for the theft of foreign donations made to the now defunct Foundation for Peace and Justice (FPJ).

A witness in the trial of the foundation's bookkeeper, Freddie Steenkamp, said Boesak had been trusted by donors to spend their money wisely.

"That system of trust was abused ... but that trust resided in Dr Boesak," said Mr John Pledger, a social worker testifying on behalf on Steenkamp in a bid by his defence to win as light a sentence as possible.

Steenkamp pleaded guilty to stealing nearly R1 million from the FPJ over a period of several years. He also admitted submitting false financial statements to donors, who included Scandinavian aid agencies and singer Paul Simon.

Steenkamp was originally charged with Boesak, but their trials were separated because Boesak pleaded not guilty. His trial is due to start in February.

Pledger told the court that Steenkamp idolised Boesak.

"If he had blown the whistle, he would have had to turn against the man he had come to admire so much," Pledger said.

"He appears to have come under pressure not to introduce controls on a fund which was being dipped into like a honey pot."

Pledger said foundation members had shown little concern for the poor people they were supposed to be helping and had instead subscribed to "a culture of entitlement".

"Dr Boesak set the tone in this regard," he said.

Pledger said that if Steenkamp had not taken the money, it would possibly have been spent by other foundation members for non-charity items.

Final legal argument on Steenkamp's sentence is expected next week. — Reuter

Church community still trusts fraudster Steenkamp, court told

Star 23/10/97 (297)

Pastor tells of bookkeeper's loyalty to Foundation for Peace and Justice's Allan Boesak

OWN CORRESPONDENT
Cape Town

William McKay, church minister attached to the former Foundation for Peace and Justice, has told the Cape High Court he would not hesitate to entrust convicted bookkeeper Freddie Steenkamp with financial matters again.

Steenkamp was on Monday convicted on five charges of fraud and one of theft involving R3,7-million in misappropriated donor funds.

Dr Allan Boesak, the foundation's former director, will appear in court next year on 32 similar charges.

McKay, of the Bellville United Reformed Church, testifying in mitigation of sentence yesterday, said he first met Steenkamp in 1986 and knew him as a reliable and eager person. At the time, Steenkamp was a deacon in the church and started working full-time for the foundation only in 1990.



Freddie Steenkamp

McKay said he noticed only later that Steenkamp's lifestyle became more lavish.

"I do not think he will ever do such a thing again." McKay said the Bellville South community was willing to accept Steenkamp back into their fold.

He had been very shocked when he heard of the fraud and theft charges Steenkamp was facing because he did not know him to be such a man.

McKay said that while the foundation was still in existence, Steenkamp had been willing to do everything to promote Boesak and was very loyal to him. He suggested community service at the Kasselsvlei community centre as a more suitable alternative to jail.

"He would be able to offer a service to the community and also compensate for his wrongdoings by helping out in the small business development and street-children projects." Jail would have a negative effect on Steenkamp, McKay said.

The trial continues.



Dr Allan Boesak

Boesak 'bears moral blame for fund theft'

(297) BD 23/10/97

CAPE TOWN — Former Western Cape African National Congress leader Allan Boesak was named in court yesterday as bearing at least moral blame for the theft of donations to the country's impoverished.

A witness in the trial of Freddie Steenkamp, accountant of a charity in the 1980s, said that Boesak had been trusted to spend the funds wisely.

John Pledger, a social worker testifying on behalf of Steenkamp, in a bid by his defence to win a reduced sentence, said that a system of trust which was vested with Boesak had been abused.

Steenkamp pleaded guilty to stealing nearly R1m from the Foundation for Peace and Justice over several years. He also admitted submitting false financial statements to donors, who included Scandinavian aid agencies and US pop star Paul Simon.

Steenkamp was originally charged together with Boesak, but their trials were separated because Boesak pleaded not guilty to the charges. Boesak's trial is due to start in February.

Pledger told the court that Steenkamp idolised Boesak. "If he had blown the whistle, he would have had to turn against the man he had come to admire so much. He appears to have come under pressure not to introduce controls on a fund which was being dipped into like a honey pot."

Pledger said foundation members had shown little concern for the poor they were meant to be helping and had instead subscribed to "a culture of entitlement. Boesak set the tone in this regard".

Pledger said Steenkamp had spent money he stole on cars, clothes and property, but that it was incorrect to assume these funds would otherwise have reached the poor.

If Steenkamp had not taken the money, it could have been spent by other foundation members on noncharity items, he said.

Steenkamp told the court on Tuesday that he had followed the example of Boesak, who he said lived a life of luxury with the help of foundation funds.

Final legal argument on Steenkamp's sentence is expected next week. — Reuter.

Overstaffing blamed for hindering local authorities

Deborah Fine

BD 23/10/97

GAUTENG's local authorities were "overgoverned" and there would be a reduction in the number of councillors and council officials as part of the province's local government transformation process, development planning and local government MEC Sicelo Shiceka said yesterday.

He said the thorny issue of the number of councillors and officials needed to run an efficient local government was one of the topics to be raised at today's provincial local government conference in Johannesburg.

Overstaffing and the duplication of functions constituted a significant drain on municipal resources, he said.

Greater Johannesburg, for example, employed five CEOs and more than 40 senior managers. He said he believed the city could be efficiently managed by one CEO and 10 senior managers.

Shiceka said the conference was part of the formal process of consultation on local government transformation in Gauteng.

Members of the national local government portfolio committee, provincial MECs, representatives from local authorities, the business sector, trade unions, community organisations, ratepayer associations, nongovernmental organisations, as well as MECs from other provinces, were expected at the conference.

Other controversial topics expected to be raised were public/private sector partnerships, the possible outsourcing of municipal services and the ousting of operations seen as being outside the ambit of local authorities.

Shiceka said that in this regard it was important to engage in extensive consultations with trade unions and community organisations, many of which had opposed the possible privatisation of municipal functions.

Consultation was important to achieve negotiated solutions in this regard, he said. Submissions put forward by conference delegates would be presented at a national level as Gauteng's contribution to the white paper under consideration at national level.

The conference would be followed by an additional six regional conferences in the province to broaden the consultation process.

The provincial government and the local government standing committee in the Gauteng legislature and the Gauteng Association of Local Authorities organised the conference.

PUBLISHING

LEGAL NOTICE

Disability rights for workers 'inadequate'

(168) (297) CT (BR) 24/10/97

FRANÇOISE BOTHA

Johannesburg — The extension and use of disability benefits would need to go through a period of transformation if people with disabilities were to be treated equitably in terms of the law, Peter Strasheim, a labour and pensions lawyer, said yesterday.

Speaking at a Swiss Re seminar, Strasheim said none of South Africa's laws had adequately addressed disability rights.

"The green paper on the future employment and occupational equity law has not addressed the complexities associated with the rights, interests and employee benefits of people with disabilities in the workplace. Furthermore, no guidelines have been provided for accommodation or a code of good practice," he said.

"What is more surprising is that a number of labour lawyers with an interest in this area have offered their services free of charge, but have received no response. It would be an opportunity for all stakeholders to work together."

Labour practice had seen the use by employers of disability benefits to facilitate downsizing their organisations, with termination expenses being passed on to the disability benefit provider. Use by employers of employee benefits for downsizing purposes was an unfair labour practice.

Meanwhile, employees had also maximised their severance benefits by abusing disability claims. "Over the past five years disability claims have increased by over 300 percent.

"It is estimated that nationwide, 40 percent to 50 percent of the claims are either false or magnified. This translates into billions of rands a year," he said.

"The tragedy is that disability claims escalate beyond the provisions and either premiums increase or benefits reduce," said Strasheim.

Strasheim said that, in terms of the green paper on employment equity, South Africa was likely to follow the provisions of the American Disabilities Act.

This allowed for job applicants to be able to perform essential functions with or without reasonable accommodations. It included a requirement that any reasonable change or adjustment to the work or working environment be allowed to provide the disabled person with full and equal benefits and privileges.

"Unfortunately, what we are seeing in South Africa at the moment is that disabled employees are being excluded from pension and medical aid schemes."

Women go from poverty to profit

297

MHG 24-30/10/97

The award-winning Masithandane group is selling 'Ciskei daisies' at world trade fairs, writes **Vukile Sonandzi**

With an eye on the environmental catwalk, the women of Grahamstown's award-winning Masithandane Association are turning ubiquitous "Ciskei daisies" into fashion accessories that are going down well abroad.

The women have taken it upon themselves to wage a personal war against poverty and environmental degradation by collecting old plastic bags (known as "Ciskei daisies" for their adornment of shrubs and fences) and crocheting them into attractive hats, bags, flags and mats.

Started in 1991 by six women, Masithandane has grown into a self-help community project with a membership close on 100.

Several members recently took their products to trade fairs as far afield as Europe and Asia. And the group won this year's Eastern Cape tourism award.

Masithandane co-ordinator, Erica McNulty, says the idea was first conceived when the Grahamstown Area Distress Relief Association was giving out food parcels to pensioners and others waiting for government social grants.

"There was some unhappiness with the parcel system. It just wasn't enough on top of the pension that people got. The worst scenario was people selling these packets for liquor," McNulty said.

Kondiswa Ndwayana, who recently returned from a trade fair in Singapore, explained: "We felt the time was over for hand-outs because people did not value things given to them for free."



Womanpower: Orders for products flood in. PHOTO: VUKILE SONANDZI

Now the women are flooded with orders from national and overseas buyers who are demanding Masithandane's fashionably eco-friendly accessories. These include the United Kingdom Club of Soroptimists, the National Tuberculosis Association and various Aids awareness organisations. With unemployment running at more than 70%, many Grahamstown residents rely on Masithandane's soup kitchen for a square meal. But, soup-kitchen customers are required to "pay" for their meal by handing stray plastic bags to the Masithandane chefs.

Like many towns in the Eastern Cape, Grahamstown is littered with plastic bags and the scheme helps to clean up the township environment.

"A plastic bag a day makes a difference to people's health and to the environment," says a member of the Masithandane group.

But the impact of Masithandane's work is being felt far beyond the outskirts of Grahamstown. The Eastern Cape Tourism Board took 200 of the group's beaded South African flags to a marketing roadshow in Canada and the United States this week. And McNulty says they have received an order for 500 of these flags for the upcoming Investors' Conference in East London on November 7.

Masithandane women also promote cultural tourism by providing Xhosa lunches to foreign tourists as well as running bed-and-breakfast operations from houses in Rhini township outside Grahamstown. Recently a Dutch tourist, Professor Jan Duinkern, spent a night in Tantyi location where he savoured a dinner, bed and breakfast — Xhosa style.

"He was very pleased with the standard of service he received," says McNulty.

McNulty — fondly known locally by the clan name of Mamcira — believes that bringing tourists to live with families in townships "helps to erase misconceptions about black communities. Township tourism is a way of bridging worlds previously separate."

Locals are left with money in their pockets, tourists leave with some cultural awareness, and both parties have the opportunity to strike up new friendships. McNulty's message to other women trapped in poverty is to "believe in yourselves".

But Masithandane is no longer strictly a female preserve. The group now has several male members, including an *imbongi* (praise poet), a herbalist, a pipe maker, and an artist — Vusumzi Dywili — who has also recently been to Singapore.

Community service proposed for Steenkamp

ARG 24/10/97

(297)

LENORE OLIVER
STAFF REPORTER

Correctional supervision would be a suitable form of punishment for former Foundation for Peace and Justice bookkeeper Freddie Steenkamp, who has been convicted on five charges of fraud and one of theft totalling R3,7-million, a correctional officer has told the Cape High Court.

Cheryl Samuels said community service would be an appropriate sentence because Steenkamp would be able to compensate for the damage he had caused in the community.

She said his personal circumstances were stable as he had a permanent job and his relationships with family members were healthy.

"He does not consider himself to be a thief and told me he was caught up and carried away in all the luxury," Ms Samuels said. "But he admitted guilt and showed remorse.

"Special focus should be given to the damage suffered by the community and this should be kept in mind during community service so that the community can benefit."

But it should be remembered that Steenkamp abused his position of trust and abused money intended for disadvantaged communities over three years.

"His quest for a life of luxury and his admiration for Allan Boesak can be considered as causes for his crimes," Ms Samuels said.

Steenkamp's wife was very supportive and was the main breadwinner. Ms Samuels said Steenkamp's two teenage daughters from his previous marriage were very close to their father and feared he would go to jail.

"His first wife, Cheryl, has also expressed the wish that he remain out of jail."

Steenkamp currently works as a car salesman.

■ William McKay is not attached to the Foundation for Peace and Justice as reported in yesterday's Cape Argus and is in fact Steenkamp's personal church minister.

Fraudster tells of 'high life' and a fallen idol

Man once inspired by former boss Dr Allan Boesak awaits his fate

YVETTE VAN BREDA



NEARING THE END OF THE ROAD: Freddie Steenkamp and his wife, Amanda, who is expecting their first child in May

Picture: AMBROSE PETERS

(297) ARG 26/10/97

A MAN who stole millions of rands intended for the victims of apartheid — "because he wanted to be like his boss" — will know this week whether he is to be imprisoned or sentenced to correctional supervision.

The state is expected to ask tomorrow for a jail sentence for Freddie Steenkamp, convicted this week on five counts of fraud involving R2,8-million and one of theft involving more than R906 000 in funds controlled by the now-defunct Foundation for Peace and Justice.

But correctional supervision officer Cheryl Samuels has recommended he spend 24 hours a month for the next few years helping out at a home for the rehabilitation of street children.

Steenkamp's employer had agreed to allow him up to two days off work a week to carry out any sentence passed, she said. The former book-keeper was also a good candidate for correctional supervision.

The Cape High Court's decision on the fate of the ex-bookkeeper-turned-used-car-salesman will mark the end of a humiliating chapter in the life of a man who said he had idolised Dr Allan Boesak, his former boss, and wanted to be like him.

Boesak — the former leader of the ANC in the Western Cape — has pleaded not guilty to similar charges, and will be tried separately for his alleged role in irregularities involving funds given to the foundation by donors such as singer Paul Simon and the Coca-Cola Foundation.

Boesak, 52, will stand trial in February for, among other things, allegedly embezzling R1,1-million. Steenkamp is expected to testify against him.

The court heard this week that Steenkamp, 41, claimed he had been "swept away by luxury, and was blind to the wrongfulness of my actions". It was told that, over three years, he had dipped into foundation funds 115 times to support a life of luxury, fast cars and extravagance.

But it was a habit he claimed he had learnt from Boesak.

Steenkamp, who arrived at court each day this week with his second wife, Amanda, who is pregnant with their first child, said: "I also wanted to be like him (Boesak) and wear fancy clothes, live in a good neighbourhood and drive a luxury car."

The only way he could achieve this was to take money from the organisation, "like Boesak", Steenkamp told the court.

He claimed he tried to placate his conscience by telling himself the sums he took were loans.

In his lengthy evidence in mitigation of his sentence this week, Steenkamp said that his former boss had used foundation money to pay debts run up by Boesak's second wife, Elna.

"My approach to the problem was basically that if it was acceptable for Boesak, it was acceptable for me," he said.

Steenkamp said donors tended to make few demands on how the money should be spent. This had resulted in a series of personal loans to foundation staff, often written off at year-end. Foundation accounts like the "urban discretionary account" hid the loans from foreign donors, he said. "Boesak used the money in the urban discretionary account as if it was his own."

Steenkamp said loans were already being freely given to foundation staff when he joined it as book-keeper. He had taken unauthorised loans for himself when he had seen the ease with which figures and amounts were manipulated in the foundation's accounting processes.

He said he had sometimes used stolen funds to buy property, but mostly to buy luxury cars for status.

Steenkamp said Boesak had impressed him with his good taste in food, restaurants and wines, and copying or accompanying Boesak had "placed me on a status higher than I had ever experienced before".

He said he thought Boesak would be able to adequately explain everything if ever questioned about the foundation's finances, "as he had done so many times". But Steenkamp was deeply hurt and humiliated when Boesak had publicly blamed him for the mess.

The state is expected to point out to the court tomorrow that Steenkamp, who has two children by his first wife, Cheryl, had stolen funds from a charitable trust; had not given himself up; and had co-operated with the police only after he was caught.

It is expected to argue that greed for luxury items had motivated him, and he had got greedier, stealing over R500 000 between 1993 and 1994.

Boesak has paid back some money. An ANC investigation cleared him of any criminal wrongdoing, but Scandinavian donors criticised the probe.

Steenkamp should be sent to jail, says state

Call for tough term

AALT 27/10/97

(297)

DENNIS CAVERNELIS
HIGH COURT REPORTER

Freddie Steenkamp, the former bookkeeper of Allan Boesak's Foundation for Peace and Justice, should be jailed for committing fraud and theft, the Cape High Court heard today.

This was said by Deputy Attorney-General J C Gerber, who was giving his final argument at Steenkamp's trial. Steenkamp, 41, has been convicted on five charges of fraud and one of theft involving about R3,7-million.

Quoting judgments in similar cases of white collar crime, Mr Gerber said that people no longer asked themselves whether it was right or wrong to commit these crimes. Their only consideration was whether they would be caught.

He said that while Steenkamp was a suitable candidate for correctional supervision or community service, the court also had to consider the seriousness of the crime and the interests of the community. The court should exercise its discretion and impose a term of direct imprisonment, but in view of mitigating factors, part of the prison sentence should be suspended.



Guilty: Freddie Steenkamp

Counsel for Steenkamp, Francois van Zyl, argued there was no solid evidence that the money his client had taken was intended for poor communities. This was because all the donations made to the foundation went into a pool of funds to be used at the foundation's discretion.

He added that Steenkamp was influenced by Dr Boesak, who treated the foundation's money "like his own".

Proceeding.

Prison term 'necessary'

Linda Ensor

CAPE TOWN — Former bookkeeper of the Foundation for Peace and Justice, Freddie Steenkamp, should be sentenced to a term of imprisonment because of the seriousness of his crimes, state prosecutor DC Gerber argued in the Cape High Court yesterday.

Steenkamp was found guilty last week on five charges of fraud and one of theft totalling R3,7m — R960 065 of which was taken as a "personal loan". Gerber said it was "unforgiveable" that Steenkamp committed theft and fraud, not out of need but to live a luxurious lifestyle similar to that of foundation director Allan Boesak.

Gerber argued that people entrusted with trust money and who misused their positions of trust should be imprisoned.

Steenkamp's legal counsel Francois van Zyl argued for a correctional supervision sentence. In mitigation of sentence he said Steenkamp had regarded Boesak, who he thought was man with the highest integrity, as his role model and this lessened his blameworthiness. Steenkamp regretted his actions, pleaded guilty and was prepared to assist the state in action against Boesak.

(~~297~~) BD 28/10/97

(297)

Plea to keep Boesak aide out of jail

(297)

ARG 28/10/97

DENNIS CAVERNELIS
HIGH COURT REPORTER

Freddie Steenkamp, former bookkeeper of Allan Boesak's Foundation for Peace and Justice, will be sentenced next week for defrauding the foundation of some R2,8-million and stealing more than R900 000.

Addressing the court in final argument yesterday, counsel for Steenkamp, Francois van Zyl, argued that his client should not be jailed, and should instead be sentenced to a term of suspended imprisonment combined with correctional supervision and community service.

He said direct imprisonment was not the only option available to the court – "he is not the type of person who must be removed from society".

There was no concern that Steenkamp would repeat his crimes. "He can be an asset to the community," said Mr Van Zyl. "His family needs him, he has two teenage children from his previous marriage and his wife is expecting."

Mr Van Zyl said there had been evidence from a prison psychologist that if Steenkamp were imprisoned he could expect to be sodomised. "He is a small person, a reasonably attractive man. It's shocking, but it happens. Prisons are overpopulated and there is the danger of prison gangs."

Steenkamp had already been sequestrated, he had lost everything and his family have been surrounded by scandal, said Mr Van Zyl. If he were sentenced to two days community service a week, people in the community, "would see why he is there and that would be a deterrent".

Prosecutor J C Gerber argued that Steenkamp should be jailed, but the court could consider suspending part of his sentence.

He said that while Steenkamp was a suitable candidate for correctional supervision or community service, the court also had to consider the seriousness of the crime and the interests of the community.

Mr Justice L A Rose-Innes will pass sentence next Tuesday.

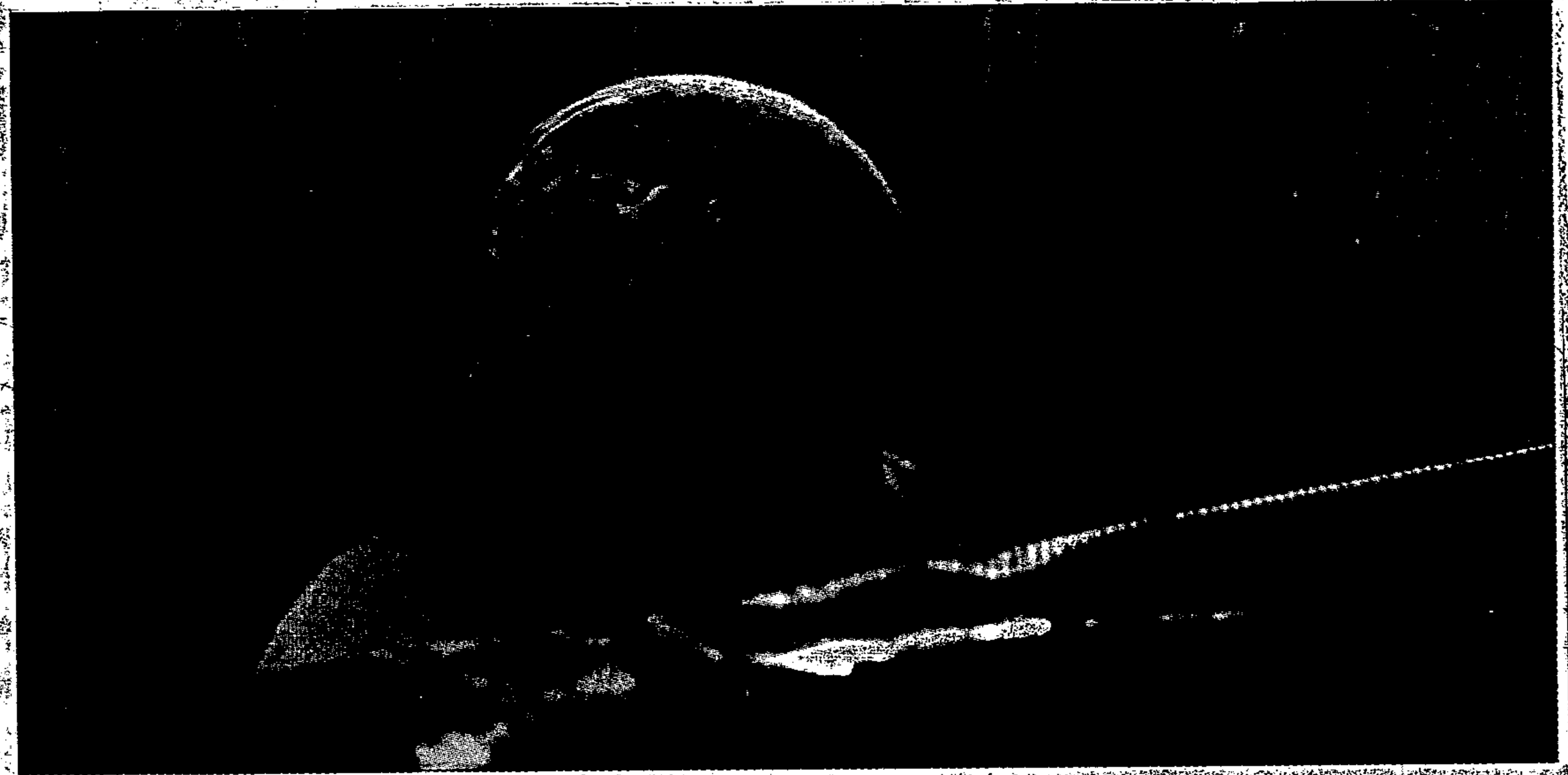
Project attempting to get women on their feet

Star 30/10/97 (297)

Community-driven initiative by the Gauteng Department of Welfare and Population Development aims to alleviate poverty

By Eddie Javiya

ANDREAS VLACHAKIS



Weaving her future ... unemployed a few months ago, this woman has learnt new skills at the Mpumelelo self-help project.

The room is spacious and there is silence as women get training in designing and weaving mats and wall hangings. A few metres down a partitioned hall, another group of cheerful women are stitching and cutting leather into handbags, caps, belts and jackets.

A few months ago, these dedicated Bronkhorstspruit women stared poverty in the face as they battled to fend for their families in a community that has a high rate of unemployment and poverty.

The women are part of a flagship programme for unemployed women with children under five years, launched in Bronkhorstspruit this week by Minister of Welfare and Population Development Geraldine Fraser-Moleketi.

Mpumelelo is a self-help project of women from the Rethabiseng informal settlement near Bronkhorstspruit.

The programme trains women in weaving, leatherwork and child-minding.

Speaking at the launch, Fraser-Moleketi said one of the greatest challenges facing the Government was the task of reducing poverty and unemployment in a country where an estimated 10 million people lived below the poverty line.

"The Department of Welfare and Population Development in Gauteng has identified communities in the province where projects are initiated to focus on poverty alleviation and empower unemployed women with children under the age of five," she added.

"The programmes are successfully operating at Bekkersdal on the West Rand, Devon near Bronkhorstspruit and Ratanda near Heidelberg. These programmes aim to facilitate capacity-building and the economic development of unemployed mothers to break the cycle of poverty and to create a positive climate for children which is conducive to their future development."

Gauteng MEC for Welfare and Population Development Ignatius Jacobs said the flagship programmes were community driven. All participants and stakeholders were involved in the planning, implementation, evaluation and monitoring of the project.

"It is estimated that 75% of all women in this community are unemployed," he said. "Ninety women have been identified to participate in the programme which strives to train 100 women in leather-work, weaving and child-minding, create a healthy environment for children and empower women with business and life skills in order to become self-reliant."

The programmes are housed at the Sizanani Village, a home for disabled children built on 84 hectares of land. Established five years ago for mentally and physically disabled children and to create job opportunities for unemployed women, the home is situated about 20km from Rethabiseng.

Founder Father Kuppelwieser Charles was proud to be associated with the Rethabiseng women. "It is heartening to see such committed women," he said.

"Their works have attracted many visitors to the home and we are building a multipurpose centre which will become a tourist attraction. At the moment, we spend R150 000 per month to run the home, which is administered by the St Vincent de Paul church.

"We have employed 360 people and have taken 200 children. We have over 800 fruit trees, a fish farm and will be starting a dairy farm."

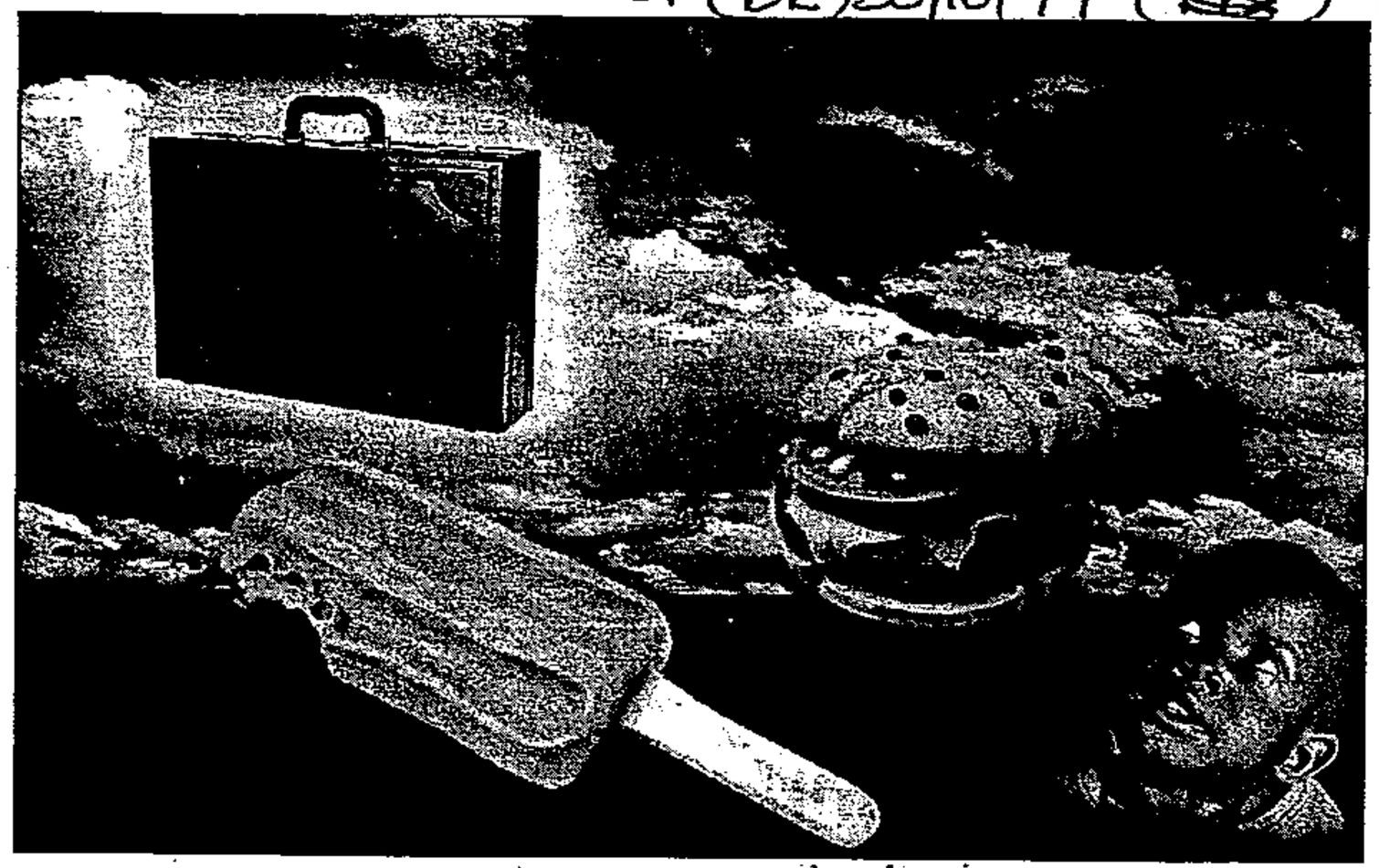
Ten women have been identified to take care of the small children while their mothers are at work.

The child-minders received training in home instruction for pre-school youngsters. Mothers will be trained to stimulate their children in preparation for pre-school.

Sustaining business means sustaining society

ET (BL) 30/10/97 (297)

ADELE SHEVEL



It takes more than attractive financial records to enter the league of world-class businesses these days. Social responsibility programmes are becoming a key determinant in the success of companies the world over.

One has only to see the amount of interest expressed in — and press devoted to — companies and their effects on the environment and society to grasp the extent of these lobbies' new-found leverage.

Consumers are no longer finding it sufficient to merely buy a product that offers good value and quality, says Clem Sunter, a director of Anglo American.

The public is bombarded with images and information from around the globe through intense media scrutiny, and product choice is more extensive than ever. It seems a certain sector of the public is seeking more than clever ads and glamorous images to steer their brand loyalty.

Consumers are being exposed to realities that might otherwise have been swept aside. Suburbia, with its spending power, is now aware of the allegation that Nike is using foreign contractors who pay low wages to make its shoes. And that Shell wanted to dump one of its rigs in the North Sea before Greenpeace made the oil company place them elsewhere, says Sunter.

It might be that social responsibility programmes are manipulated by companies as just another unique selling proposition — whatever it takes to keep the public happy and in the buying frame of mind. But the fact remains such programmes have become an essential part of the brand as a key point of differentiation.

Ben Cohen, one of the founders of Ben & Jerry's, the US ice cream maker, says the company's social responsibility programme has positively affected the firm's bottom line. "Consumers want to feel as though the business they are dealing with cares."

The company's commitment to progressive social values translates into profit in the form of "unprecedented customer and employee loyalty", says Cohen.

Ben & Jerry's was founded by two unconventional hippie types seeking direction after meandering through incomplete university degrees and various dead-end jobs. The 1960s were their formative years and provided the values which served as the company's operating platform. Business was seen as a means to effect positive change in the environment. They emphasised the notion of value-led business, their objective being to turn business into a tool for social change. Projects included support for the environment and inner-city education.

In spite of their unconventional methods or projects, or perhaps because of them, the firm's products found their way into the hearts and waistlines of a large percentage of Americans. They mixed social conscience with calories for those for whom eating ice cream in itself was not a sufficiently rewarding experience. Today they have a loyal following and 37 percent of the $470 million US market for super-premium ice cream, second only to Haagen Dazs.

Cohen sees business as the driving force in society today and as such it has a responsibility to the environment and should transform itself accordingly. "Business controls elections through campaign funding, it pays lobbyists to influence government policies and its steers the media through ownership. As the pivotal societal force, it has a responsibility towards improving the lot of society."

Cohen maintains that the money companies use for marketing, public relations and market research (to establish what consumers need to feel good about buying their products: perhaps cute television ads or good-looking men or women selling the product), could be put to better use to benefit the society that buys. "Instead of formulating a superficial positive image, companies can get customers to become fanatically loyal."

Anglo's Sunter points out that South African companies have been involved in social responsibility programmes. The Anglo American Chairman's Fund, for one, was conceived in the early 1970s and formally launched in 1974.

But are South African companies doing enough in terms of these programmes? Sunter maintains they could do more to help small business in the townships.

"The key to South Africa's future is creating a new entrepreneurial class. The country has 6 million unemployed people. The government will cut back on civil service, and big business will not employ (these employees) because businesses the world over are downsizing. The only place they could be gainfully employed would be in small businesses, some of which would hopefully grow into large ones."

The recent social programme splash that brought big business to the fore was the handover by Ted Turner, CNN's founder, of $1 billion to the UN on the US's behalf. Sunter says he thinks the money would have been put to better use had it been handed directly to non-governmental organisations that operate on grassroots level. "You get more bang for your buck."

He is wary that much of the money would be absorbed in overheads. "There is a transmission loss, in that money gets absorbed on the way down."

In the US, the top 5 percent of the population takes home half the nation's income. Large and profitable enterprises lay off thousands of employees to increase their short-term share prices, and many would say executive packages are excessive.

It is obviously in business's long-term interest to ensure a stable society. As Ben Cohen of Ben & Jerry's says: if business does not take care of the society that supports it, there will be nothing to sustain the business.

New bill offers self-regulation to NGO sector

(297)

31/10/97

MORE non-profit organisations, especially those involved in social services and development, need to qualify for tax breaks and deductions for parties donating money to them should be extended, Welfare Minister Ms Geraldine Fraser-Moleketi said yesterday.

Introducing the second reading of the Non-profit Organisations Bill in the National Assembly, Fraser-Moleketi said the public needed incentives to support NGOs. This system had worked well in other countries and reduced the burden on the state, she said.

The bill provides for the voluntary registration of non-profit organisations and repeals the old Fund Raising Act, allowing them to raise funds without restriction.

Fraser-Moleketi said the bill offered self-regulation to the sector, which would have to be committed to public accountability.

The legislation did not provide organisations with an automatic right to tax-exempt status, or offer them any new legal status.

The South African Non-governmental Organisation coalition welcomed the bill as a first step towards strengthening and promoting the sector's growth. — Sapa

Self-reliance brings Hertzog back to life

Craig Bishop

Seven years ago, the tiny Eastern Cape hamlet of Hertzog was referred to as "the valley that died". Today, many of its 1 000 inhabitants have increased their earnings fivefold and are leading the way in community-based agricultural initiatives.

The national government's recently released draft, *Rural Development Strategy*, focuses on the concept of local economic development for the promotion of employment, marketing and infrastructure for rural communities. And Hertzog, at the foot of the Katberg mountains in the former Ciskei, has taken the local economic development process to heart.

Once the centre of tobacco farming in South Africa, the land was expropriated for the Ciskeian state in the 1970s. With the exception of a few state farms, the bulk of the land was fallow by 1993. All production had ceased, resulting in a total lack of employment, endemic male absenteeism and bitter conflict between residents and Oupa Gqozo's Ciskeian state.

The Hertzog community realised they could not wait for the government to deliver and embarked on one of the most successful community-based initiatives in the Eastern Cape — without government funding.

In 1994, with permission from the Department of Agriculture to farm unused land, assistance from the department's agricultural extension officers and R230 000 of funding from the Ciskei Agri-bank, the community set up its farming co-operative as a Section 21 company.

Community members then bought 100 shares each at a cost of R1 a share. This provided the company with the initial capital to allocate each member one hectare of land and sufficient piping for irrigation.

Success was rapid. Co-operative members brought in upwards of R3 000 each growing season through the sale of produce to itinerant traders.

Hertzog's fertile soil enjoys more than 600mm of rainfall a year and the nearby Kat River provides a regular supply of water. But, it is community vision, initiative and perseverance that is primarily responsible for Hertzog's renaissance.

Co-operative chair Elias Nykae said his valley was probably one of the happiest in South Africa. "Everybody has something to do ... we are so motivated ... success breeds success."

Hertzog is surrounded by an Eastern Cape rural economy in virtual collapse. More than 22 000 jobs were lost in the Ciskei and Transkei, between 1991 to 1993. Butterworth and Umtata have seen more than 130 factories close in the past two years, with a flood of refugees moving from rural to urban areas.

This has created crisis flashpoints in many Eastern Cape towns, most notably Tsolo, Kei Road, Molteno and Ugie, and the trend is creating major obstacles for development, argues Rhodes University geography lecturer and development academic Etienne Nel.

But, Nel says, the whole country can learn from Hertzog. "The experience of Hertzog is an inspirational one. Local economic development might not be the panacea for all the nation's ills, but it is a strategy that can be applied to improve overall levels of welfare in the countryside."

Nel argues that the absence of political or social divisions within the co-operative created a spirit of "mutual self-reliance and co-operation" that has generated a "dynamic entrepreneurial spirit.

"The achievements, tangible gains and recognised improvements in quality of life have inculcated a feeling of community pride and a passion to ensure that the process succeeds.

"Virtually all families in the community have at least one member in the co-operative and have thus benefited directly from the initiative."

Nel points out that the co-operative has also gone some way towards addressing gender imbalances within the traditionally marginalised position of rural women. More than half

M+G 3-9|10|97 (297)

the farmers are women, who, according to Nel, "have consistently proved themselves to be the most innovative and productive farmers".

National Business Initiative national local economic development co-ordinator Jerry Delaney says that Hertzog is a "shining example of what communities are capable of achieving by themselves". But the marketing of produce and security of land tenure are two factors threatening to disrupt Hertzog's success.

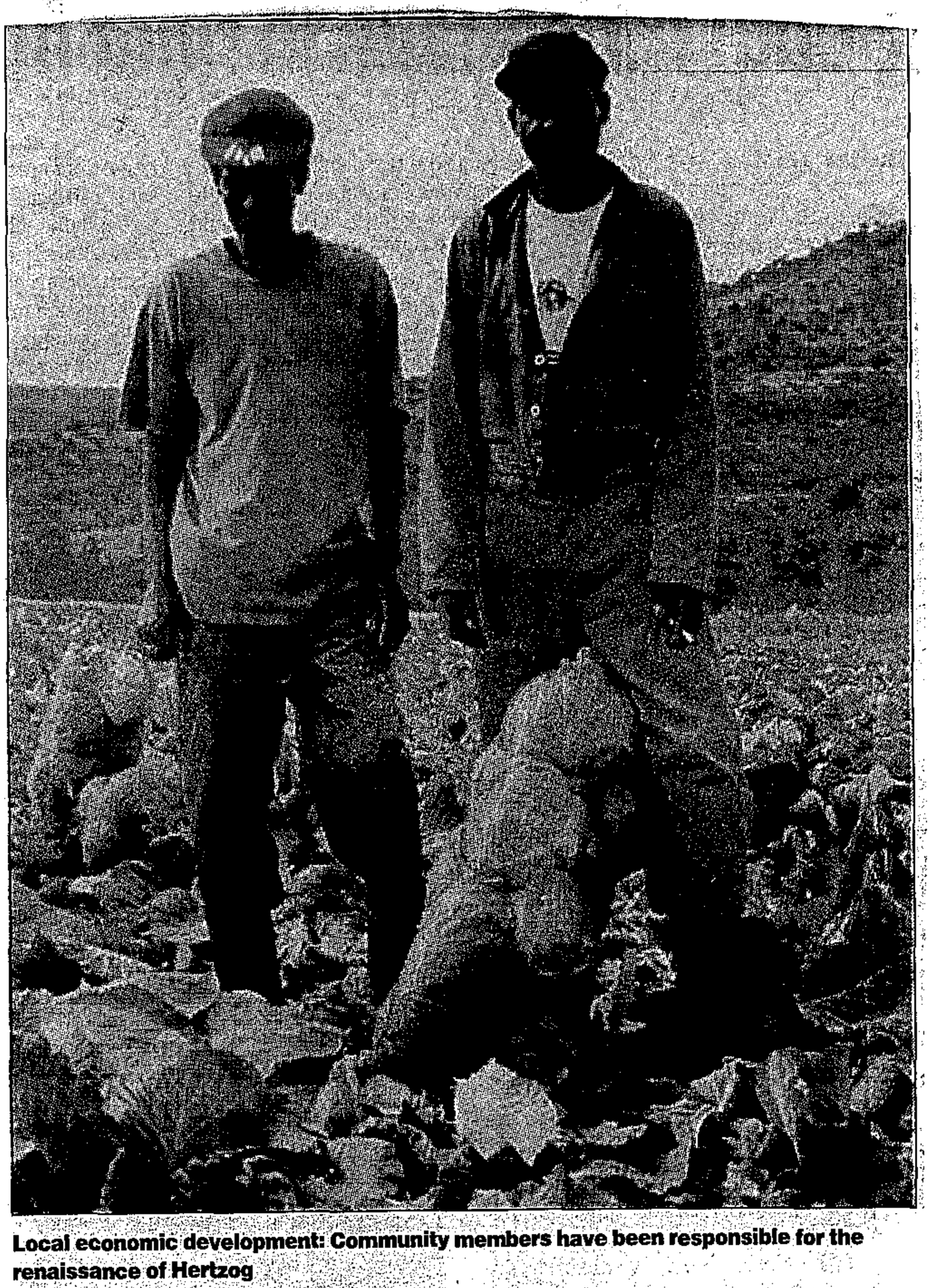
"They have demonstrated that people can do it on their own, but they have also made the point that producers need assistance from outside to get closer to consumers.

"Like a lot of development initiatives at grassroots level, outside help is needed to woo them from being survivalists to something more."

Nel echoes this sentiment, saying that attempts at local economic development cannot always be totally locally driven because of local capacity constraints.

National Business Initiative, together with the president's office, compiled a resource kit for communities on local economic development's best practices and strategies. Delaney says Hertzog was listed in the top 40 examples in the country of "good development practice".

While national and provincial governments attempt to free South African land reform from bureaucratic inertia, Hertzog has learnt one important lesson: self-reliance gets the job done quicker. — *DMA*



Local economic development: Community members have been responsible for the renaissance of Hertzog

Bill could give NGOs a new lease of life

(297) ARG 7/10/97

ANDREW FULTON, parliamentary communications officer of the South African Institute of Race Relations, reports on a bill before Parliament which will encourage NGOs to become a more vibrant sector in South Africa



Court battle: Dr Allan Boesak's Foundation for Justice and Peace debacle has made donors wary about where they put their money

Parliament's Portfolio Committee on Welfare is to hold public hearings this week on the recently tabled Non-profit Organisations Bill (NPO Bill).

The bill will replace the contentious Fundraising Act, thus creating a more suitable environment in which NGOs can operate, and encouraging a vibrant civil society.

It is heartening that the original debate regarding this legislation encouraged the Department of Welfare to set up a rational and transparent process in creating the redrafted NPO Bill now before Parliament.

One hopes that this process will serve as a model for the whole Government.

But there still remains concern that a lack of control over fundraising will lead to fraudulent abuse; and the bill will make registration by NGOs voluntary.

How does one prevent fraud? While under the Fundraising Act, a fundraising number is necessary to collect money legally, there is no special method of policing this.

Fraudulent fundraising, like any other kind of fraud is, and will remain, a crime which must be reported to the police and dealt with by the criminal justice system, not the Department of Welfare.

There is no need for the department to protect donors from themselves. If people want to give their money to NGOs which have not registered or do not have a good track record, that is their own choice.

If NGOs obtain money under false pretences, they are committing a crime and should be reported to the police, who are better equipped to deal with the culprits than an understaffed welfare department. The problem with Allan Boesak's Foundation for Peace and Justice (FPJ) was not lack of government control, it was lax controls by its donors.

Since the FPJ débacle, donors have become more vigilant.

To promote trust and confidence, NGOs will need to demonstrate their competence and honesty, something which possession of a fundraising number never guaranteed.

If there is any doubt left as to whether the welfare department's control of fundraising could curb fraud and mismanagement of funds, briefly examine the suspect history of the Independent Broadcasting Authority (IBA).

The IBA is a permanent body, created by the state, with seven councillors appointed by the president. It must submit an annual report to the responsible minister. In spite of controls never envisaged for the non-profit sector, the IBA still has mismanaged a phenomenal amount of taxpayers' money. According to a recent report, fraud in the IBA amounted to R215 000, with an attempted fraud of R800 000.

These are criminal justice issues, and no amount of Government regulation outside the criminal justice system will prevent this fraud.

Another criticism has been that registration by NGOs with the Department of Welfare will be voluntary. What defines a non-governmental organisation is its status as non-governmental.

Not allowing an NGO to exist unless it registers with a governmental department makes a mockery of this idea.

A vibrant NGO sector that is independent, financially or otherwise, from the Government is vital if South Africa's young democracy is to survive and thrive.

While there are benefits in registering for small, emergent NGOs, established ones should be judged on their performance and reputation.

As a final issue, the only way to ensure a vibrant and effective NGO sector is to create a more generous donor community. That can be done only by offering tax incentives to the NGO sector and, more importantly, to its donors. We hope the Department of Welfare will work hand in hand with the Department of Finance to ensure that legislation is tabled expanding the definition of NGOs eligible for tax concessions.

It was with a sense of the importance of civil society that the South African Institute of Race Relations began its project on not-for-profit legislation two years ago. We are happy to have played a role, along with other NGOs, lawyers and experts in drafting the Non-profit Organisations Bill.

For the first time, the independence of NGOs from political interference will be guaranteed. The bill will also provide a boost to small and emerging NGOs by requiring the Department of Welfare to give help and advice to those who need it and who choose to register.

If passed, the bill could usher in a new era of freedom for NGOs and independence for civil society.

Ethopia:

R200-m in US aid for S Africa

(297)

Sowetan 9/10/97

Ambassador says new assistance underscores 'common interest'

Sowetan Correspondent

THE US government has granted the South African Government R200 million in aid to meet SA's development needs in crucial areas such as administration of justice, education, health care, economic policy, private sector development and housing and urban development.

The agreement, which brings the total of US aid since 1985 to over R4,5 billion, was signed by Deputy Finance Minister Gill Marcus and US ambassador Mr James Joseph.

It includes R4,5 million for low-income housing; R24 million to the Department of Constitutional Development and Provincial Affairs to help implement a national framework for delivering urban infrastructure; R2,3 million to the Department of Water Affairs and Forestry to provide Mpumalanga areas with sustainable water supply and sanitation; R77 million to support President Mandela's "Presidential Education Initiative"; R48 million for primary health care; R18 million for the Mandela Economic Scholars Programme which funds either an MBA or PhD degree for South Africans studying in the US; R13,5 million to support formerly black higher education institutions and R8 million to support the Department of Justice's Vision 2000 initiatives.

"This agreement underscores the common areas of interest between our two countries and the importance with which we view South Africa's development," said Joseph.

Marcus said: "This development assistance commitment clearly demonstrates the United States' support for our commonly-held goal of transforming South Africa into a non-racial and democratic society."

The R200 million is being routed through government departments, by contrast with US aid before the new government was elected in 1994 when aid went only to non-government organisations. The aid was in addition to R600 million for development committed by President Bill Clinton in 1994.

US grants R200-million in aid for development

Star 9/10/97 (297)

By Peter Fabricius
Foreign Editor

The US government has granted the SA government R200-million in aid to meet SA's development needs in crucial areas such as administration of justice, education, health care, economic policy, private sector development, and housing and urban development.

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Marcus said: "This development assistance commitment clearly demonstrates the United States' support for our commonly held goal of transforming South Africa into a nonracial and democratic society."

The US embassy stressed that all of the R200-million was being routed through government departments, in contrast with its aid before 1994, when aid went only to non-governmental organisations.

Legislation will go ahead to restore grants administration to govt

BD 9/10/97 (297)

David Greybe

CAPE TOWN — The welfare department said yesterday it would go ahead with legislation "to restore" the administration of social security grants to the national government from the provinces, despite a threat of a Constitutional Court challenge.

Welfare director-general Leila Patel told the parliamentary welfare committee the transfer of social security powers to the provinces in a proclamation by President Nelson Mandela last February had been "invalid and incorrectly assigned".

The department's intention to use the Welfare Laws Amendment Bill to restore the powers to the national government was supported by three state law advisers at the committee meeting.

State law adviser Thembi Mbangeni said because social security powers were considered concurrent under the constitution, central government had overall control of them.

Whereas Mandela had "assigned" administrative powers to the provinces, the bill only "delegated" these powers to the provinces. Hence the national government would retain overall control of SA's social security system.

Western Cape government legal adviser Dirk Brand predicted if the bill was not defeated in the committee, "someone is going to challenge it in the Constitutional Court".

The African National Congress supported the department, but the National Party and Inkatha Freedom Party said they had to consult their parties in light of the support voiced by the state law advisers and Patel's assertion that the department had obtained three legal opinions in support of its position. The committee meets again tomorrow to discuss the bill.

It is intended to replace the child and family maintenance grant system in favour of a new child-support grant system of R100 a child a month up to the age of seven.

Patel said the national government allocated more than R14bn a year in social grants in the form of 3-million monthly payments and therefore it only made sense that her department set the overall norms and standards for "SA's biggest poverty alleviation programme".

"The issue is a challenge for co-operative governance and shared responsibility in that central government sets the policy framework while the provinces are the deliverers of service," Patel said.

Provinces that could properly administer social grants under the new child-care system would continue to do so, but the bill would allow central government to intervene where provinces were experiencing problems.

The department eventually planned to overhaul the entire social security system, but the bill would allow in the interim for central government to tackle widespread fraud and corruption and maladministration of social grants across the country, Patel said.

Brand maintained, however, that once powers were assigned to provinces — in this case under the Social Assistance Act, 1992, by Mandela — they could not be reversed.

"The assignment of powers is essentially a one-way ticket, and is different to the delegation of powers which central government can withdraw unilaterally."

He said the assignment of social security powers to the provinces was never challenged by Parliament "and must therefore be assumed to have been done validly by the president".

As far as the Western Cape was concerned, social security was a function which formed part of the broader welfare services and therefore had to remain a provincial competence.

The Western Cape government had also developed a three-year strategic plan for social security "with the aim to improve our service delivery both administratively and in terms of our customer service", Brand said.

Patel said she still hoped the bill would be passed into law this year, so that the new child care grant system could be phased in from next January. The existing maintenance grant system would be phased out over the next three years, Patel said.

calendar operations arrangement deadlocked yesterday after officials walked out of a meeting, JCI said.

had been agreed to.

At the time of the signing of the industry-level agreement, many mines

calendar arrangement which has been in place for the past two years.

The main stumbling block is the premium paid for working the full-cal-

amnesty application

additional pensionable increases.

JCI said the go-slow was having a minimal effect on production while the interdict was being applied for.

US aid grants to SA set to decrease as trade increases

BD 9/10/97 (297)

Linda Ensor

CAPE TOWN — The US government would reduce its aid grants to SA over time as the focus of its relations with the country shifted increasingly towards trade, ambassador James Joseph said yesterday.

He and Deputy Finance Minister Gill Marcus signed a bilateral aid agreement in terms of which the US Agency for International Development (USAid) granted more than R220m. This followed the \$600m granted in 1994 for three years.

"While we see a decline in the amount of aid over time, we see a significant increase in the amount of trade," Joseph said.

US investment was accelerating at a rapid pace, and since 1994 had been double the total investment by all other countries combined.

Last year US investors had come in at a rate of one a week, and for the first half of this year at a rate of six a month. There were other investments in the pipeline, Joseph said.

By the end of December the value of US fixed investment in SA was \$8bn.

US firms operating in SA had sales of about \$10bn and the value of bilateral trade last year was more than \$5bn.

This aid had been given despite budget constraints in the US as the country's government believed it important to support the democratic transformation process in SA.

"It is important because if a nonracial democracy can prevail here it demonstrates to the rest of the world that diversity need not divide and that pluralism rightly understood and practised is a benefit and not a burden."

Joseph said the creation of a binational commission between the SA and US governments had fostered the flow of trade and services between the countries — 40 000 tons of SA citrus products were sold in the US last year.

Since 1985 the US government had given more than R4,6bn in aid to SA. In the early years most of this money went to nongovernmental organisations, but today was almost evenly split between NGOs and government.

Marcus said USAid assistance was targeted at priorities such as low-income housing, disadvantaged universities and the justice system.

French lottery firm abandons SA bid

BD 10/10/97 (297)

Amanda Vermeulen

ONE of the world's largest lottery operators, France's Internationale des Jeux (IDJ), has ditched plans to bid for SA's national lottery due to lengthy delays in the passing of lottery legislation by Parliament.

The move reflects mounting impatience among foreign companies in several sectors hoping to benefit from privatisation and deregulation. Slow progress in bringing these initiatives to fruition and the uncertain outcome of the bidding process may not justify the significant investment involved in maintaining a presence in SA.

IDJ — which could have invested several hundred million rands in SA if it had won the licence, would not comment yesterday. However, it is understood to have informed its proposed consortium partners of its intention to rethink its involvement in the lottery.

The lottery is scheduled to be passed into law only next year, with the first draw now likely only in 1999.

IDJ set up operations in SA some time ago to lay the groundwork for a bid. It had entered into talks with a number of local companies as consortium partners, including Computicket, Pepkor, Nedbank, and black empowerment groups Kunene Bros and Worldwide African Investments.

Some of the consortium partners, who declined to be named, said they had received communiqués from IDJ at the end of last month informing them that letters of intent (to pursue a relationship with the aim of bidding for the lottery) would not be renewed when they expired on September 31.

An IDJ source said yesterday that the group — one of the world's largest lottery companies — had decided to withdraw as leader of the consortium.

The group would hold board meetings in the next few weeks to assess its role in SA, but it was likely that it would act only as a supplier to the group that eventually won the licence.

The set-up costs for the lottery could be as high as R500m. It is not clear whether the other consortium partners will continue with their bid.

Fraud cripples welfare

Probe urges clean-up as millions a day lost

ARG 13/10/97 (297)

CAROL CAMPBELL
STAFF REPORTER

Fraud has brought the social welfare system in the Western Cape to its knees and countless millions in taxpayers' rands are being lost daily through theft and inefficiency.

In just one case, uncovered by a task team assessing the extent of the problem, a 31-year-old "child" was still getting welfare payments.

In another case an old-age home claimed R3 000 from the Welfare Department for "games", when staff bought only a box of dominoes. The rest of the money vanished.

The team found hundreds of examples of corruption, ranging from theft of large quantities of paper to blackmail by officials wanting kickbacks and people claiming more than they should.

The findings are included in a report on corruption in the department, and ways to control it, that was handed to Western Cape Minister of Health and Welfare Ebrahim Rasool last week.

Mr Rasool set up the investigation in April last year when he realised many of his staff were involved in a high-level scam to award a R240-million contract to Nisec to pay pensions.

His inquiries led to the resignation of national Minister of Welfare and Population Development Abe Williams.

Mr Williams admitted getting money from Nisec, but denied it was related to the pensions tender.

In the Western Cape department, 30 staff members are facing fraud charges after the Nisec deal went sour. Mr Rasool plans to take Nisec to court to claim R150-million of welfare money lost because of the fiasco.

The Post Office is paying pensions until a new tender is awarded to a company that can do what the department requires.

In the report the task team, led by Tim Steele of the accounting firm Ernst & Young, said they had come across so much theft it would take the eight-man team six years to get through the work generated so far.

The problem of fraud was not limited to the Western Cape, and unless steps taken to control it were supported by the national department, provincial departments would have only limited success.

The task team said a complete "clean-up" of the way information was collected, improved computer technology and training of the department's leadership to manage their staff properly would immediately stop some of the rot.

The report suggests that:

■ The long-winded and bureaucratic style of collecting basic information from people applying for welfare grants be streamlined. Some offices have a backlog of 2 000 applications. Even a simple change of address takes months to be implemented.

■ The computer system is not working but an adaptation of it is being used successfully in the Free State town of Kroonstad. Investigators suggest that welfare offices in the Western Cape, such as Beaufort West and Vredendal, which are working properly, be given the improved technology.

■ Reviews of information about people getting benefits are rare, and when they do happen they take months because of the clumsy filing system. In Kroonstad reviews now take between one and three minutes.

■ Probably the most critical improvements have to be made in the management of the people working in the system.

Middle management, especially, has to be taught how to motivate, discipline and train staff. Already investigators claim they have saved the department R50-million a year by identifying cases of fraud and charging those involved.

"If recommendations are followed, savings of this amount could be achieved consistently for the next five years," the report says.

Welfare Bill faces challenge, page 3



New Commission for Conciliation, Mediation and Arbitration national director Thandi Orleyn, left, at a news conference in Johannesburg with Labour Minister Tito Mboweni, centre, and outgoing director Charles Nupen. Picture: ROBERT BOTHA

New director for arbitration commission

Stephané Bothma

BD 13/10/97

INDEPENDENT Mediation Service of SA national director Thandi Orleyn has been appointed new national director of the Commission for Conciliation, Mediation and Arbitration, Labour Minister Tito Mboweni said yesterday.

Orleyn will take up her new position in December to replace outgoing director Charles Nupen.

Orleyn has already served on the commission as a part-time senior commissioner and was voted in unanimously as the new director by the commission's governing body, Mboweni said.

The first black woman law graduate from Port Elizabeth university, Orleyn joined the Legal Resources Centre as an attorney in 1985.

Nine years later she became regional director of the centre and a year later, in 1995, joined the media service as the national director.

"She will benefit from the work done by Charles Nupen, who set up the commission and structures two years ago," Mboweni said.

He called on the commission's senior staff to give Orleyn all their support. "She has the experience for the job," he said.

Orleyn, who said that Nupen had been her mentor throughout her career, told the conference that she did not feel intimidated by her new position.

Nupen will join the International Labour Organisation and will be working on projects in SA and southern Africa.

Substitute MPs pass welfare bill

(297) BD 13/10/97

David Greybe

CAPE TOWN — The African National Congress (ANC) in Parliament's welfare committee on Friday used substitute ANC MPs to push through draft legislation on a new child-support grant system after the National Party (NP) walked out in protest.

However, the implementation of the new grant system under the Welfare Laws Amendment Bill could still be delayed because of two possible Constitutional Court challenges. The welfare department plans to phase in the grant scheme from January.

The NP walkout, led by Patrick McKenzie, was in protest against the bill's intention to restore the administration of social security grants to the national government from the provinces. The NP supported most of the new grant provisions in the bill.

Committee chairman Cas Saloojee suspended the meeting after the walkout in order to implement the co-option procedure which permitted the use of noncommittee members to make up a quorum and adopt the bill.

The welfare department called the NP walkout "irresponsible". The bill will now go to the National Assembly and then the National Council of Provinces for adoption.

None of the other political parties was present at Friday's meeting, but the NP said it was confident it could get enough opposition support to refer the bill to the Constitutional Court. The support of one third of the National Assembly is needed to make an apply to the court for an order declaring all or part of an act unconstitutional.

Welfare director-general Leila Patel told the committee earlier the transfer of social security powers to the provinces in a proclamation by President Nelson Mandela last February had been "invalid and incorrectly assigned". The department obtained three legal opinions that the reversal of the powers was constitutional. It was supported by the state law advisers who said because social security powers were considered concurrent under the constitution, central government had overall control of them.

The Western Cape government did not rule out its own Constitutional Court challenge to the bill. It believed the bill was unconstitutional, Western Cape legal adviser Dirk Brand said. The provincial cabinet would decide what to do next, he said.

Talks resume on bargaining council

(298) BD 13/10/97

Renee Grawitzky

CHEMICAL employers and unions have resumed negotiations in an attempt to finalise the constitution for the establishment of the chemical industry bargaining council, the subject of discussion for more than two years.

Talks on the council resumed last week following wage settlements in seven subsectors of the broader chemical industry.

In the aftermath of the wage negotiations some employers felt disillusioned about the future of the centralised bargaining structure while the Chemical Workers' Industrial Union said the negotiation process had proved to be quite frustrating.

Employer spokesman Fanie Ernest said the recent talks had shown the process of centralised bargaining was difficult, and thus required a real commitment on all parties to ensure it worked.

The Commission for Conciliation, Mediation and Arbitration had, he said, played an instrumental role in ensuring settlements were reached. Union national collective bargaining coordinator Bheki Ntshalintshali said increases in the seven subsectors — including glass and plastics, petroleum, pharmaceuticals and plastics converters — ranged between 10% to 12%, with the average increase being about 10,5%. The majority of petroleum workers, except those at Sasol, received a 11% increase. Sasol workers received 10,5% but those on the minimum rate will get 12%.

The highest paid actual minimum rate of pay will be R2 865 a month paid by British Petroleum, and the lowest R2 000 a month.

Ntshalintshali said other core demands met by employers included maternity leave and a reduction in working hours. The majority of sectors, he said, agreed to grant six months' maternity leave, four to be paid either at 33% or 100%, with jobs guaranteed.

Government bid to control welfare payments challenged

(297) ARLT 13/10/97

JENNY VIALL
HEALTH REPORTER

The Welfare Laws Amendment Bill, which provides for social assistance to become a national function, is likely to be challenged as unconstitutional on the grounds that it takes powers away from the provinces.

The Bill was approved by the standing committee on welfare in Parliament on Friday and will go before the National Assembly in the next few weeks.

The bill amends the Social Assistance Act to provide for a nationally controlled social security system. To date provincial governments have been responsible for the payment of pensions, disability and child support grants, an administrative function assigned to them in terms of the Interim Constitution last year.

Patrick McKenzie, National Party spokesman on welfare, said his party could not support central control of social assistance. "When the proclamation was made in 1996, it went through without any objection from any party. Now the ANC wants power back. For Parliament to pass a law affecting provincial powers is unconstitutional."

Leila Patel, director-general of welfare, said administration of the Act had been assigned to provinces with no norms over how to do it. "The whole approach is not cost-effective and is open to fraud and corruption. There have to be some standards for delivery across the board," she said.

Kumi Naidoo of the National NGO Coalition said he believed the bill was constitutional, based on the weight of legal opinion before the welfare committee.

Critics of the bill say the national welfare department does not have the capacity to take on social assistance.

"No one in Pretoria can say how someone in Khayelitsha can be uplifted. It must be done at grassroots level," said Mr McKenzie.

The Western Cape government, in its submission to the standing committee on welfare, said social security services should be organised at the lowest possible level to be effective.

Brian Sokutu, spokesman for Welfare Minister Geraldine Fraser-Moleketi, said the welfare department was unable to intervene effectively in provinces where there were problems with delivery of social assistance with the the law as it stood at present. He said it was not a case of taking away powers from provinces, but taking control of the social assistance programme centrally.

There have been major problems with social grants in some provinces. The Eastern Cape's welfare services are said to be near collapse and there is widespread fraud and corruption.

Welfare fraud cut by R50m

A TOLL-FREE complaint number has helped the Western Cape Department of Social Services to make a dent in welfare fraud.

The line, by which the public can report people who are receiving grants to which they are not entitled, is one of several steps taken to curb fraud.

The MEC for Health and Social Services, Mr Ebrahim Rasool, said yesterday that forensic auditing had saved more than R50 million and contributed to the department's R67m surplus at the end of the 1996/97 financial year. Implementing recommendations in the auditor's report could save up to R80m a year.

However, the report, by Ernst & Young, says the number of fraud cases is so great it would take a team of eight many years to complete the investigations.

So far, 238 cases — involving just under R2m — have been identified and reported to police in three regions of the province.

The auditors also identified 28 officials involved in fraud. Two have been fined in criminal courts, one has been dismissed and a fourth has resigned. Another official took a voluntary retrenchment package before action could be taken against him. Proceedings have been initiated against three officials and hearings in seven other cases are pending. Five officials have been cleared.

Rasool said he had been dismayed by the light sentences imposed by the courts. The fines were between R500 and R1 500.

"We need to be seen to be acting strongly against any official guilty of defrauding the taxpayer and to be telling the taxpayers their monies are being jealously guarded," Rasool said.

It was important that all levels of government work together to stamp out fraud and irregularities.

The department was considering claiming R150m from Nisec, which five-year contract to administer computerised pension and social welfare payouts was cancelled by the Western Cape Tender Board. It was found the company did not have the technology to pay pensions without the risk of fraud.

In February, two judges found Nisec had wilfully misled the provincial authorities by not disclosing that its computer technology could not do the job the company was being paid to do. Nisec's application for an order annulling the tender board's decision was dismissed.

Mr Tim Steel, who led the investigation into fraud, said there was still much to be done to minimise losses. "However, there is now the methodology and the commitment to achieve this goal."

The department's customer care number is 0800 22 0250. — Sapa and Political Staff



NO MORE MR NICE GUY: Former health and welfare minister Abe Williams, pictured at his lawyer's office, said he was fed-up with being linked to allegations of fraud and corruption in the Western Cape welfare department. *PICTURE: BENNY GOOL*

PENSION SCANDAL

'Honest' Abe fighting back

(297) ET 14/10/97

FORMER MINISTER Abe Williams, still "suffering" the 1994 pensions scandal, says he's no longer taking the blame — and he's suing Ebrahim Rasool, reports **ROGER FRIEDMAN**.



FORMER minister of health and welfare, Mr Abe Williams, said yesterday he had not committed any crimes and would no longer tolerate his name being linked to allegations of fraud and corruption in the Western Cape welfare department. He said he was finalising plans to sue Western Cape Health and Welfare MEC, Mr Ebrahim Rasool, for damaging his reputation.

Williams resigned from the cabinet hours after simultaneous raids on his homes and offices in Cape Town and Pretoria by members of the Office for Serious Economic Offences (OSEO) 20 months ago. He continues, however, to occupy his National Party bench in Parliament as an ordinary MP.

In a series of developments yesterday: Rasool released a report on corruption in the Western Cape department which does not implicate Williams; the OSEO said its probe initially focused on the award of a tender to the private company, Nisec CC, for the payout of pensions in the Western Cape, but subsequently it "branched out"; Williams revealed the contents of a series of letters he wrote in 1994 to the then-minister of finance, Mr Derek Keys, among others, in which he expressed concern over the awarding of the tender to Nisec.

Williams' anger towards Rasool sprang from Rasool's statement to the media soon after the OSEO raids that Williams had been "declared a serious economic offender".

Williams said yesterday: "I have kept quiet on this matter because I was advised ... to allow the OSEO investigation to continue unhindered. I am now prepared to reveal the contents of documents because I feel I am constantly and unfairly being linked to Mr Rasool's investigation and have given adequate time for the investigation to be concluded.

"I have held back suing Mr Rasool pending the outcome of the investigation but cannot allow it to drag on indefinitely. Therefore an action for damages will commence shortly. I expected Mr Rasool to be man enough to have conceded by now that I was never involved in the Nisec tender or Western Cape pension fraud."

He said he had done the "honourable thing" by stepping down from the cabinet and not harming the NP's local government election effort last year.

"At the time I said I was not involved in the tender but everyone had already found me guilty. I have lost a lot of friends and my family has endured enormous suffering. I am known as a very jovial person, very outgoing, but my credibility has been under attack.

"I have tried to put a good face on it — I've been on my bench all the time — but it's unfair that each time Mr Rasool issues a report, instead of bringing the guilty parties to book, they try to link it to me as the previous minister. They are trying to gain political capital at my expense," Williams said.

In 1994, after receiving representations from a company which failed in its application for the Western Cape pension-payout tender, Williams wrote to Keys asking him to investigate the awarding of the tender.

Williams also addressed similar requests to the ombudsman, Mr Justice P van der Walt, Western Cape Premier, Mr Hernus Kriel and Rasool, while the acting director-general of the national welfare department, Dr Boet Schoeman, wrote along the same lines to Western Cape director-general, Mr Herman Beukes.

Van der Walt found that the regional office of the State Tender Board had "applied its mind to the facts and exercised its discretion properly".

Keys pointed out that there was no private company experienced in the payment of social pensions because payments had previously been handled by the provincial administration.

Spokesperson for the OSEO, advocate Phyllis Atkinson said yesterday: "Part of our ongoing investigations into allegations of fraud and corruption involve, inter alia, Mr Williams ...

"It is difficult to say when the investigation into Mr Williams will be concluded, it is proceeding full-steam-ahead. The Nisec aspect of the investigation is virtually complete and a (final) report is in the process of being drafted."

Williams said if the OSEO had discovered any wrong doing on his part he was unaware of the deed.

Rasool said he preferred not to comment on the Williams affair until after the OSEO investigation had run its course.

Poverty hinders development in rural areas — Moosa

BD 14/10/97 (297)

Deborah Fine

MAFIKENG — The amalgamation of underdeveloped rural areas with more affluent urban local authorities was a "politically sensitive" issue, but integration could be a positive step towards alleviating endemic rural poverty, Provincial Affairs and Constitutional Affairs Minister Valli Moosa said on Sunday.

Addressing a local government conference on rural financing, Moosa said although "extensive attention" had been given to the restructuring of SA's cities, the same could not said for the countryside, home to about 40% of the country's population.

Moosa told the conference, which was sponsored by Africare, Gencor, John Semida Associates, USAid, both the national and North West provincial local government departments and the SA Foundation for Public Management, that about 74% of rural people were classified as "poor". Also, 72% of rural African households lived in conditions that could only be describes as "intolerable". Rural areas were characterised by minimal or no access to basic resources, Moosa said.

Compounding the problem of poverty in rural areas was the high cost of providing services, which was usually far more than in urban areas. This was because of sparse population distribution, greater distances and a lack of basic infrastructure in the areas.

Given the poverty rate in rural areas, incoming revenues from municipal service charges were "seriously limited", Moosa said. Rural municipalities were therefore far less able than their urban counterparts to finance the creation of municipal infrastructure and effect social upliftment.

Despite serious financial constraints and, in many cases, "non-existent" administrative capacities, rural councils were still obliged to give priority to the basic services needs of their communities, he said.

In order to realise this, urgent strategies needed to be developed to ensure that rural "own revenues" were increased and financial capacity was sustained.

One of the challenges which had to be addressed was the identification of new sources of revenues for rural municipalities. Various existing and potential new sources were being discussed in the white paper on local government transformation currently being circulated for comment.

The proposals contained in the white paper included the introduction of a controversial agricultural or rural land tax, which would be of crucial importance to the future viability of rural local government.

Unlike their urban counterparts, which levied properly assessed rates as an important part of their income, rural councils did not levy any taxes on immovable properties.

Moosa said a rural land tax would give greater fiscal autonomy to rural councils, which were at this stage heavily dependent on grants and subsidies from both central and provincial government.

Other possible taxes included a "betterment tax", which could be levied on residents benefiting from development projects.

Integration with urban local councils could also hold "numerous advantages" for rural areas, he said. Amalgamations could make it possible to pool resources across wider areas, and also promote economies of scale, especially in underdeveloped rural areas with no capacity at all.

Moosa warned, however, that amalgamations could only be successful if a committee system was developed which gave different groups majority voice on matters affecting exclusively rural or urban areas.

He said that there was "no way" that rural municipalities could meet all of their constitutional obligations without the significant involvement of private sector funds and management expertise.

Appropriate steps should therefore be taken to improve the relationship between local authorities and the private sector, which at this state had "very negative" perceptions about the risks associated with local government lending, in particular to rural local councils, Moosa said.

INFRASTRUCTURE DEVELOPMENT

(297)

Banks need to bury the hatchet

CT(BR) 15/10/97

CHRISTO VOLSCHENK

ECONOMICS EDITOR



A low-intensity battle has been raging between the banking sector and the Development Bank of Southern Africa ever since the government redirected the bank to focus on infrastructure financing about two years ago.

The new mandate put the bank in direct competition with the banking sector. The banks felt they now had to compete on an "unlevel playing field" with a development institution whose average cost of funds was lower than theirs.

That the banks were uncomfortable with the new mandate first surfaced earlier this year when the parliamentary standing committee on finance debated a bill aimed at turning the Development Bank into a company. In an effort to clear the air, the bank entered into negotiations with the Council of Southern African Banks (Cosab), but months later the battle still rages.

Last week it seemed as though the two parties might be close to signing a memorandum of understanding aimed at dividing the market and defining the roles of the players. But the two sides offer different assessments of the differences still to be ironed out. A Cosab spokesman said "negotiation is still in the embryo stage".

Nico van Loggerenberg, the Cosab spokesman, said "some ground still has to be covered before we see eye to eye", while Ian Goldin, the bank's chief executive, said the two parties had found each other and a memorandum was "about to be signed".

At the centre of the debate is the issue of funds: the Development Bank has access to cheaper funds, and so is able to lend money on more favourable terms than the banks. The Development Bank has a AAA rating, which helps to contain the average cost of funding of the bank to 14 percent and its average lending rate to 15 percent. At 18 years its average lending term is higher than the banks' average 10 years, and it gives up to one year's grace on capital repayments, while the banks can afford shorter periods only.

Another problem is said to be that the Development Bank wants included in the memorandum a clause which gives it the first bite at the cherry where infrastructure development would be unaffordable to poor communities if financed by banks at market-related rates. Goldin was confident a workable solution to the perceived problem would be found soon.

"The need for infrastructure is huge, and the banks and Development Bank will have to stand together to make a difference," he said. "In the next 10 years, about R175 billion will be needed for RDP-related infrastructure development — more than the banks will be able to finance. Once the banks understand how the Development Bank intends to back them up, everyone will be happy."

He said he had discussed the bank's new mandate with the chief executives of each bank, and "everyone was quite comfortable with what they heard".

Goldin said the bank's main focus would be on financing RDP-type infrastructure projects. It would also finance so-called private infrastructure, or infrastructure provided mainly by local authorities.

"This is the type of project which the Development Bank could co-finance with the banks," he said. "We have about 60 projects lined up where the Development Bank could provide up to 20 percent and banks the remainder of the finance."

A third way the bank involved itself in infrastructure development was by strengthening the borrower.

"When banks judge a local government uncreditworthy, the Development Bank might help the local government to qualify for a loan," he said.

The state has said it wanted the private sector to finance infrastructure development, and the private sector has shown it was eager to take up the challenge. But the banks and the Development Bank will have to bury the hatchet for the private sector to become an enthusiastic partner.

R100-m for aid lies idle

(264) (297) Sowetan 16/10/97

By Sipho Khumalo

AN amount of R100 million budgeted for victims of violence in KwaZulu-Natal has been lying idle while thousands of victims languish in poverty and destitution.

Members of the KwaZulu-Natal government portfolio committee on finance discovered this and have expressed serious concern that the money was lying idle in government coffers.

This emerged from the committee's meeting held in Pietermaritzburg on Tuesday.

It also emerged that the previous portfolio committee meeting held in September had noted with "concern" that the amount allocated to KwaZulu-Natal peace initiatives had not been spent.

The September meeting had requested clarification from the treasury as to how the R100 million was to be spent. However, it became clear during Tuesday's meeting that no specific projects had been either identified or undertaken.

Replying to questions from portfolio committee members, secretary to the provincial treasury Mr Sipho Shabalala said the provincial cabinet was briefed last week about the R100 million.

Shabalala said certain projects and communities which would benefit from them had been identified.

However, committee members were not satisfied, with the chairman Mr Dumisani Makhaye pointing out that in the South Coast area of Ocilima communities, which were involved in violence but were now at peace, were still living in tents

"If you are not spending this money for the purpose it was meant, is the government going to give us other money?" Makhaye asked.

National Party committee member Mr Gordon Haygarth said there were "inadequate" plans devised to spend the money budgeted for peace initiatives.

"It would be a tragedy for the province if that money was taken away by the national Government next year," said Haygarth.

Democratic Party committee member Mr Wessel Nel requested that the provincial director general should provide the committee with a summary of how the government intended to use the money.

Identifying projects

Nel said the summary should also cover criteria on how to identify the projects, money spent, money committed, money likely to be committed and spent.

It also emerged that a further R460 000 budgeted for the provincial public protector had also not been used.

Shabalala told *Sowetan* that this budget was allocated in terms of the interim constitution which allowed for a provincial public protector.

However, he said, the Constitution made no provision for the provincial public protector and these funds would no longer to be used for this purpose.

It was also revealed that the province was in cash "crisis", with a projected over-expenditure of R1,4 billion during the current financial year.

Shabalala said Premier Dr Ben Ngubane had been told by Finance Minister Mr Trevor Manuel that the Government might not advance additional funds to the provinces.

Welfare re-registration 'will save R2bn'

BD 16/10/97 (297)

Linda Ensor

CAPE TOWN — An estimated R2bn would be saved over a two-year period by the re-registration of the beneficiaries of social assistance payments, welfare director-general Leila Patel told Parliament.

In 1996, R241m was saved by removing the names of about 46 000 deceased beneficiaries from the list. And for the first six months of this year, about 30 000 deceased beneficiaries' cases were suspended, resulting in an annual estimated saving of about R96m.

Currently there were about 2,9-million social assistance beneficiaries receiving payments.

Information submitted by Patel to the standing committee on public accounts, notes that 89 officials throughout the country (excluding the Eastern Cape) were either under investigation or had been convicted for fraudulent involvement in welfare payments. Of these 26 were in Gauteng, 31 in the Western Cape and 14 in the Free State.

With regard to beneficiaries and members of the public, more than 530 were being investigated or had been convicted. Of these, more than 200 were in the Western Cape, 195 in KwaZulu-Natal, more than 50 in Mpumalanga and 53 in Northern Province.

In reply to questions posed by the committee, Patel said that the nationwide registration process, approved by MINMEC on August 1 this year, would cost R110m.

The Eastern Cape had already started with the process and had re-registered about 631 000 beneficiaries in August and planned to complete it in four months.

The same process would be undertaken in the other provinces as well.

Patel explained that there was no formalised, national mechanism in place to recover the money mistakenly paid to beneficiaries.

"If the provinces recover any money, then these revert to the provincial budget," she said.

Cabinet took a decision in February to organise social security as a national system. However, as provinces were responsible for making the payments and were responsible for following up on fraud and corruption.

Patel said the department planned to introduce a national audit unit with a dedicated investigative team which would link the provinces in managing the national audit requirements.

This would assist in reducing fraud and corruption.

Parliament gives lottery green light

POLITICAL STAFF (297)

Cape Town – The National Assembly has passed enabling legislation to provide for the establishment of a national lottery which will provide a flow of funds to good causes as from next year.

In terms of the Lotteries Bill, which was tabled in Parliament last year and has passed through the assembly's ad hoc committee on gambling and lotteries legislation, an 11-member national lotteries board will control a national lottery distribution trust fund.

This board will dispense funds, after consultation with the minister of provincial affairs and constitutional development, to RDP projects; various charities; the development of sport, recreation, arts and culture; and the country's historical, natural, cultural and architectural heritage.

The board is to be appointed for not more than five years by the provincial affairs and constitutional development minister.

Boesak's accountant admits to stealing funds

A FORMER bookkeeper for anti-apartheid cleric Dr Allan Boesak's Foundation for Peace and Justice (FPJ) confessed in the Cape High Court yesterday to six charges of fraud and theft.

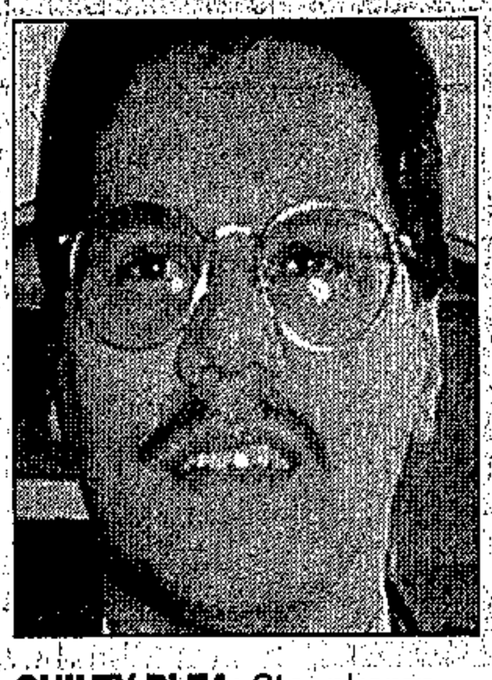
In so doing he also implicated Boesak.

Freddie Steenkamp, who now works as a car salesman, submitted a detailed guilty plea to the charges that he effectively stole R906 000 donated by various international charities to the FPJ to help fight apartheid.

In a written statement, he told the court at the opening of his trial yesterday that he deliberately falsified accounts to disguise high levels of expenses, salaries and staff loans. He also admitted to taking out an unauthorised loan of his own.

He told the court that Boesak, former ANC Western Cape leader, was deeply involved in all these activities.

Evidence in mitigation



GUILTY PLEA: Steenkamp

will be presented to the court today by Steenkamp's counsel Mr Francois van Zyl.

Steenkamp and Boesak, who are to be tried separately, have been charged with stealing money from the Coca-Cola Foundation in Atlanta, Georgia whose donations to a rural pre-school project went into a profit-making enterprise in East London.

They are also both accused of creaming off R259 161 from the R1,575 million given by singer Paul Simon to a children's trust. Steenkamp has admitted this.

The two men also allegedly deceived the Swedish International Development Agency by telling it that money was to be used for producing voter-education videos in early 1994, when in fact it went into establishing a radio and television production facility to be used by Boesak's second wife, Elna.

They are also accused of moving money from project bank accounts into the FPJ's account, in order to satisfy auditors and their major donors such as Danchurchaid, the Swedish agency and Norwegian Church charities, at the end of a financial year, and to prepare fraudulent budgets for the following year.

The states alleges that Boesak personally embezzled R1,1m.

His trial begins on February 16 next year.

CT 21/10/97

(297)

Boesak's ex-bookkeeper convicted of fraud

(297) Star 21/10/97

OWN CORRESPONDENT

Cape Town – Freddie Steenkamp, the former bookkeeper of Dr Allan Boesak's Foundation for Peace and Justice, was convicted in the Cape High Court yesterday on six charges of fraud and theft involving more than R3,7-million.

Steenkamp and Boesak were originally to be tried together on 32 charges of fraud and theft involving some R8,8-million, but their trials were separated and Boesak will stand trial in February.

Steenkamp pleaded guilty yesterday to five charges of fraud involving about R2,8-million and one charge of theft involving R900 065. Deputy Attorney-General J C Gerber said the State had withdrawn the other 26 charges and would accept his guilty plea.

In his plea explanation Steenkamp admitted that while he was bookkeeper for the foundation and also for the Children's Trust, he defrauded the trust of R431 029 which had been donated by US singer Paul Simon.

He said that on instructions from Boesak, the money had been transferred to the Foundation for Peace and Justice's account but was still reflected as an asset in the books of the Children's Trust.

On the other fraud charges, Steenkamp said Boesak and Showkat Mukadem, an auditor from M Brey & Associates, were aware that he and Boesak and other employees were drawing money from the foundation's coffers for their own use.

He said these loans were reflected as "debtors' loans" in the foundation's books.

Steenkamp said that because donors would not have approved of high transport and salary allowances or personal loans for staff, these amounts were transferred to less contentious accounts in the year-end journal entries, such as the Crisis Relief and Rural Ministries accounts.

The trial will continue today when counsel for Steenkamp will lead evidence in mitigation of sentence. Mr Justice L A Rose-Innes presided.

State opposes Steenkamp's plea for prison pardon

BD 21/10/97

Linda Ensor (297)

CAPE TOWN — Freddie Steenkamp, the convicted former bookkeeper of Allan Boesak's Foundation for Peace and Justice, would plead for a correctional supervision sentence at his court hearing today, his counsel Francois van Zyl said yesterday.

State prosecutor DC Gerber indicated that the state would be pushing for a prison sentence for Steenkamp, who pleaded and was found guilty on six charges of fraud and theft.

Van Zyl said that he would present a report from a correctional services official as to whether or note Steenkamp was a suitable candidate for a correctional service sentence.

Requirements include having a fixed address, a job (Steenkamp is working as a car salesman) and a sober disposition.

A correctional supervision sentence would mean leaving home only to work, being monitored and could require Steenkamp to perform community service.

His trial was separated from that of the foundation's director Boesak — due to appear in court next year — because of his intention to plead guilty.

Among other charges, he was convicted of taking out an unauthorised personal loan of R960 065 and fiddling the books to the tune of R2,3m to hide personnel-related expenses from donors.

'FPJ gave poor 'cold shoulder'

ALTHOUGH money earmarked for community upliftment was "available", the Carnavon community was told by former director of the Foundation for Peace (FPJ) and Justice, Dr Allan Boesak, that there was no money.

This was said yesterday by former FPJ bookkeeper, Mr Freddie Steenkamp, during evidence in mitigation of sentence. He has been convicted on five counts of fraud and one of theft, involving R906 000 in FPJ funds.

Steenkamp said Carnavon residents had telephoned the FPJ about funds but Boesak would not speak to them. Undaunted, they had travelled to Cape Town to meet Boesak but were turned away, said Steenkamp.

He said he had intervened as funds were available but Boesak had said he was the boss and would decide on financial matters.

The FPJ had beenpressured by unauthorised staff loans.

Steenkamp confirmed that several community projects had not received funds they had been allocated:

- Carnavon — R12 590
- Kavo (Karoo association of pre-school education) — R400 000
- Loxton community — R56 000
- Worcester community project — R37 000
- Marienthal Food Aid — R16 000
- Goldfields community service — R10 000
- Rosemead farm school — R42 000
- Funda Ubugcisa — R15 000
- Venterstad garden project — R4 000
- Western Cape fishermen — R31 000

— Staff Writer, Sapa

(297)

CT 22/10/97

STEENKAMP TELLS OF FREE-SPENDING BOSS

UNIVERSITY OF CAPE TOWN
SALDRU LIBRARY

'My hero' Allan Boesak's first-class life of luxury

ET 22/10/97 (297)

ALLAN BOESAK, who always flew first class and had expensive taste in clothes, cars, wine and restaurants, had acted as if the FPJ and its donor funds were his own, the foundation's former bookkeeper told the High Court yesterday. **LINDIZ VAN ZILLA** reports.

NEW details of the high-life lived by the former bookkeeper of the now defunct Foundation for Peace and Justice, Mr Freddie Steenkamp, and his mentor, Dr Allan Boesak, emerged in the Cape High Court yesterday.

Steenkamp, who has been found guilty on charges of fraud and theft, told the court that Boesak, the FPJ's former director, always travelled first class and that he (Steenkamp) had followed Boesak's example in spending lavishly on expensive clothes and luxury cars.

The money had been donated by foreign donors and aid agencies and was intended to help the needy and to aid the anti-apartheid struggle.

Steenkamp said he was tutored by his "hero" and "idol", Boesak, on how to appreciate fine wines and dine only in expensive restaurants.

Boesak had acted as if the FPJ and its donor funds were his own.

"Hy was baas van die plaas," he said.

Steenkamp, 41, of Parow, has pleaded guilty to and was convicted on five counts of fraud and one of theft, involving R906 000 in FPJ funds.

Steenkamp, who works as a car salesman, told the court on Monday of his role in misappropriating funds donated by singer Paul Simon, the Coca-Cola Foundation and Scandinavian aid agencies.

He would be willing to testify for the state in Boesak's trial, which starts on February 16, he said.

Boesak, 52, is accused of embezzling R1,1m in donor funds. He has consistently denied any wrongdoing.

A prominent anti-apartheid cleric and charismatic former Western Cape ANC leader, Boesak lost an appointment as ambassador to the United Nations in Geneva when the accusations first surfaced three years ago.

Wearing a blue suit, the small, bespectacled Steenkamp yesterday told the court "Boesak acted as if the FPJ was his own. He didn't like to be told what to do; he gave the orders".

Boesak decided solely on how donor funds were to be administered.

Steenkamp said: "The FPJ trustees were just there in name, they had nothing to do with the foundation's financial operations."

Steenkamp said he had been "totally obedient to what Boesak said and accepted everything he did".

"Boesak was my hero and my idol."

"I believed that what Dr Boesak was doing was right. I would never have dared stand up against him."

He told Mr Justice Leslie Rose-Innes that Boesak had impressed him with his good taste in food, restaurants and wines, and that copying or accompanying Boesak had "placed me on a status higher than I had ever experienced".

Steenkamp said: "Everyone drove expensive cars, it was part of our status as members of the FPJ. It was a question of appearance and status."

Envious of Boesak's luxurious lifestyle, Steenkamp gradually increased the amount he skimmed from FPJ accounts: "I took the money when I needed it to maintain my lifestyle."

Between 1992 and 1994 his salary was R3 940. "I never once saw the need to ask for a salary raise because I received so many loans."



GUILTY: Former Foundation for Peace and Justice bookkeeper Freddie Steenkamp with his wife Amanda outside the Cape High Court yesterday.

A detailed inventory of Steenkamp's "loans" indicated that during the first year — from March 1, 1991 to February 29, 1992 — he stole R191 000 in 31 separate "transactions".

The following year Steenkamp made 37 "loans", totalling R182 000.

Between March 1993 and March 1994 he helped himself to more than R500 000 in donor funds.

Steenkamp said he had "needed" the R532 952 in part to keep up his lavish lifestyle, and because of the realisation that the foundation was about to close.

He and other FPJ employees knew the ANC would come into power and that Boesak would assume a prominent leadership role.

"It was very clear that the FPJ could not exist without Dr Boesak" and for that reason he and the other FPJ employees had started "setting ourselves up commercially".

Steenkamp said he had dabbled in buying and selling luxury cars but was more interested in the lucrative property market.

He bought several properties and houses in Platteklooof and Paarl.

Steenkamp said loans were already being freely given to FPJ staff when he joined the organisation as bookkeeper in the early 1990s.

"These loans were part of the normal going-ons of the FPJ and Boesak himself made loans," he said. Some of the loans were simply written off.

Steenkamp started taking unauthorised loans for himself when he saw the ease with which figures and amounts were manipulated in the organisation's accounting processes.

"My approach to the problem was basically that if it was acceptable for Boesak, then it was acceptable for me."

The fact that donor agencies usually made few demands on how the money should be spent contributed to the financial abuse, he said.

He had deliberately falsified accounts to disguise high levels of expenses, salaries and staff loans. Foundation accounts such as the Urban Discretionary Account hid the loans from the foreign donors.

Boesak had used foundation money to pay debts run up by his second wife, Elna, Steenkamp said.

A Swedish donor organisation was lured into donating money to produce voter-education videos in 1994. In fact, the money was used to establish a radio and television production facility for use by Elna, he said.

Steenkamp said he thought Boesak would be able to adequately explain everything if he was ever questioned about the foundation's finances, "as he had done so many times".

He had previously considered it unthinkable to question his hero about the foundation's dealings, but realised his mistake now.

Steenkamp said he was deeply hurt and humiliated when Boesak publicly blamed him for the mess. "It was more than a shock, it was tragic."

"I protected Boesak my entire life," he said. "Today, I am bitterly sorry."

The scandal had brought disgrace to his family and elderly parents, who had brought him up in a strict religious manner, he said.

The trial continues today.

Mr J C Gerber and Mr Stephen Powell appeared for the state. Mr Francois van Zyl, instructed by Gabbi Gess of Bisset Boehmke McBlain Inc, appeared for Steenkamp.



IMPLICATED: Former Foundation for Peace and Justice director Allan Boesak was implicated yesterday in the misappropriation of donor funds. ***PICTURE: BENNY***

'I followed Boesak's example'

(297)

Sowetan 22/10/97

FORMER Western Cape leader of the African National Congress the Reverend Allan Boesak used money donated to a charity he ran for his own purposes, his former bookkeeper said yesterday.

Mr Freddie Steenkamp admitted at his fraud and theft trial in the Cape Town High Court that he also took money donated to Boesak's Foundation for Peace and Justice. He said one reason for doing so was to follow the example of Boesak (52), who will stand trial separately in February next year.

Boesak and Steenkamp face 32 charges of theft and fraud involving more than R2 million. They are accused of misappropriating money donated by singer Paul Simon, the Coca-Cola Foundation, Scandinavian aid agencies and others.

On Monday Steenkamp pleaded guilty Monday to six charges of fraud involving R906 000. In his confession and testimony yesterday, Steenkamp said seeing Boesak using money from the charity for personal reasons inspired him to do the same. He said Boesak used foundation money to pay debts run up by his second wife, Elna.

"My approach to the problem was basically that if it was acceptable for Boesak, then it was acceptable for me," Steenkamp said.

Steenkamp described how donations came from organisations wanting to help the needy in South Africa and to aid the anti-apartheid struggle.

The donors usually made few demands on how the money should be spent, resulting in a series of personal loans to foundation staff members that were often written off, Steenkamp said.

Foundation accounts such as the Urban Discretionary Account hid the loans from the foreign donors. "Boesak used the money in the Urban Discretionary Account as if it was his own," Steenkamp said.

Envious of Boesak's lifestyle of first-class travel, fancy cars and a nice house, Steenkamp said he had increased the amount he skimmed from foundation accounts, and added: "I took the money when I needed it in order to maintain my lifestyle."

The case has badly damaged Boesak's political career, causing him to give up an assignment as South Africa's ambassador to the United Nations in Geneva. He has also quit the ministry. – *Sapa-AP.*



Johannesburg is not the most friendly city if you are disabled, writes ***Anso Thom****. She travelled around the city of gold with a disabled person to discover what facilities are still needed to aid those who need a little more help.*

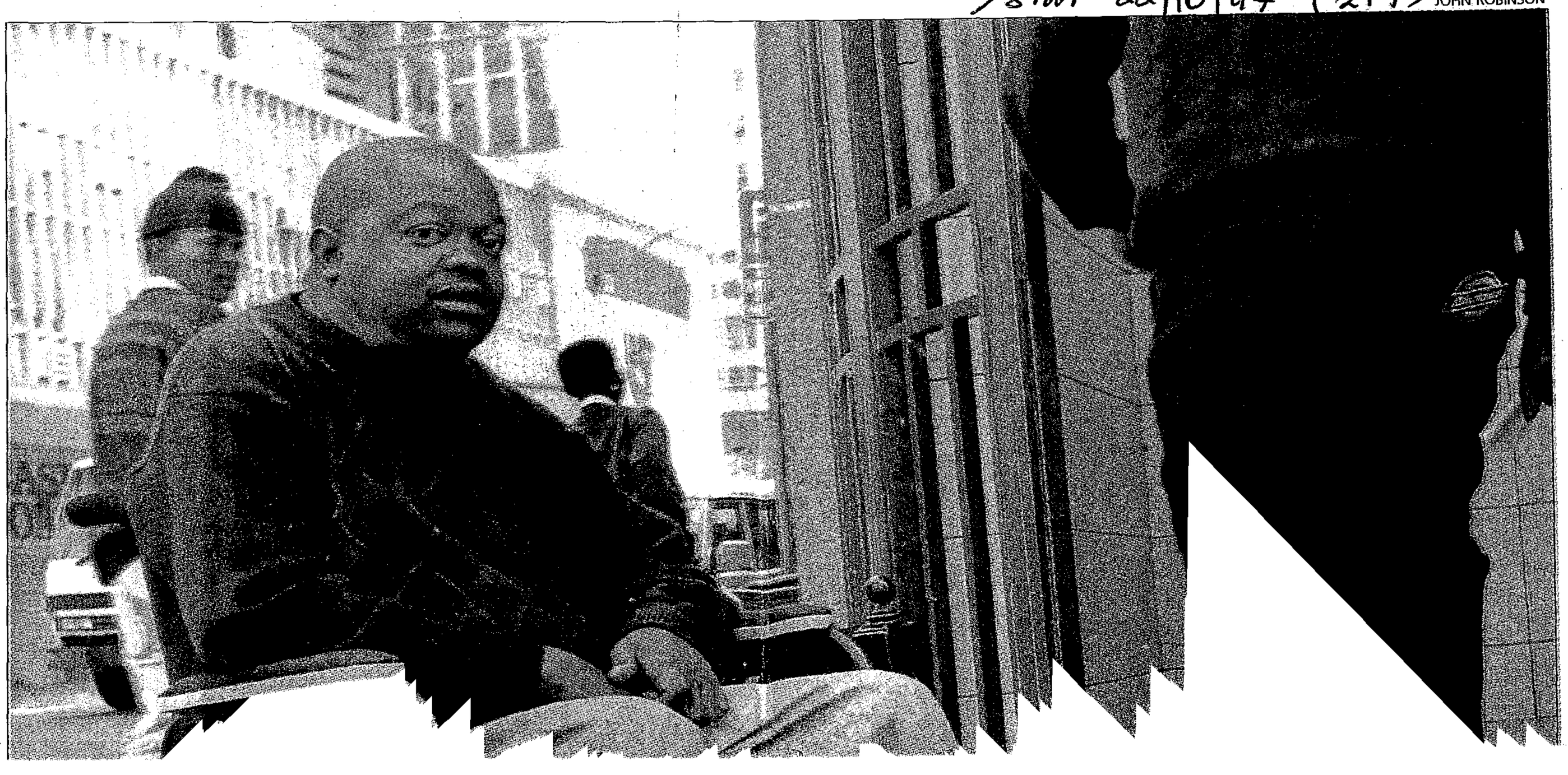


Intolerance and indifference in city of the fit

Johannesburg authorities slowly make moves to ease the life of the disabled

Star 22|10|97 (297)

JOHN ROBINSON



Inner city is a nightmare for all but the able

Muzi Nkosi's biggest nightmare is braving Johannesburg's inner city when he needs to do simple chores like popping into the bank, going to the toilet or even buying a hamburger.

Nkosi relies on a motorised wheelchair to get around and works downtown for Disabled People South Africa (DPSA) as a para-legal adviser.

The Star recently spent a morning with Nkosi and "assistant" Abraham Hlongwane, as they tried to negotiate their way around hawkers blocking the pavement, impatient drivers and uneven pavements.

"Motorists are extremely intolerant. I always have to make eye contact with the driver when crossing the street to make sure he sees me," he said.

Pedestrians are also unaware of disabled people. "They stand in the way without realising that they may be standing on the pavement ramp blocking my path," he said.

Nkosi said motorists made life difficult by parking next to ramps, blocking access to and from pedestrian crossings.

Lifts, ramps and luminous bus steps are the priorities

Johannesburg's public-transport system has been extremely unfriendly to disabled people. But it is now undergoing a facelift – and a "dial-a-ride" network is being planned.

Karen de Beer, the Metropolitan Transportation executive, says the disabled would be able to phone a control centre to book a trip. "This is the best possible way, but nothing has been approved yet and at this stage it is an option," she said.

In the interim, the department is introducing options such as a "request-a-stop", whereby a disabled user would wave a flag at the bus driver. The colour of the flag would indicate whether the person needed more time to board, or was in need of assistance.

"We are also training our bus drivers, but the process takes time because we have full-time, part-time and temporary drivers, with 550 buses operating on a daily basis," De Beer said.

The council was also in-

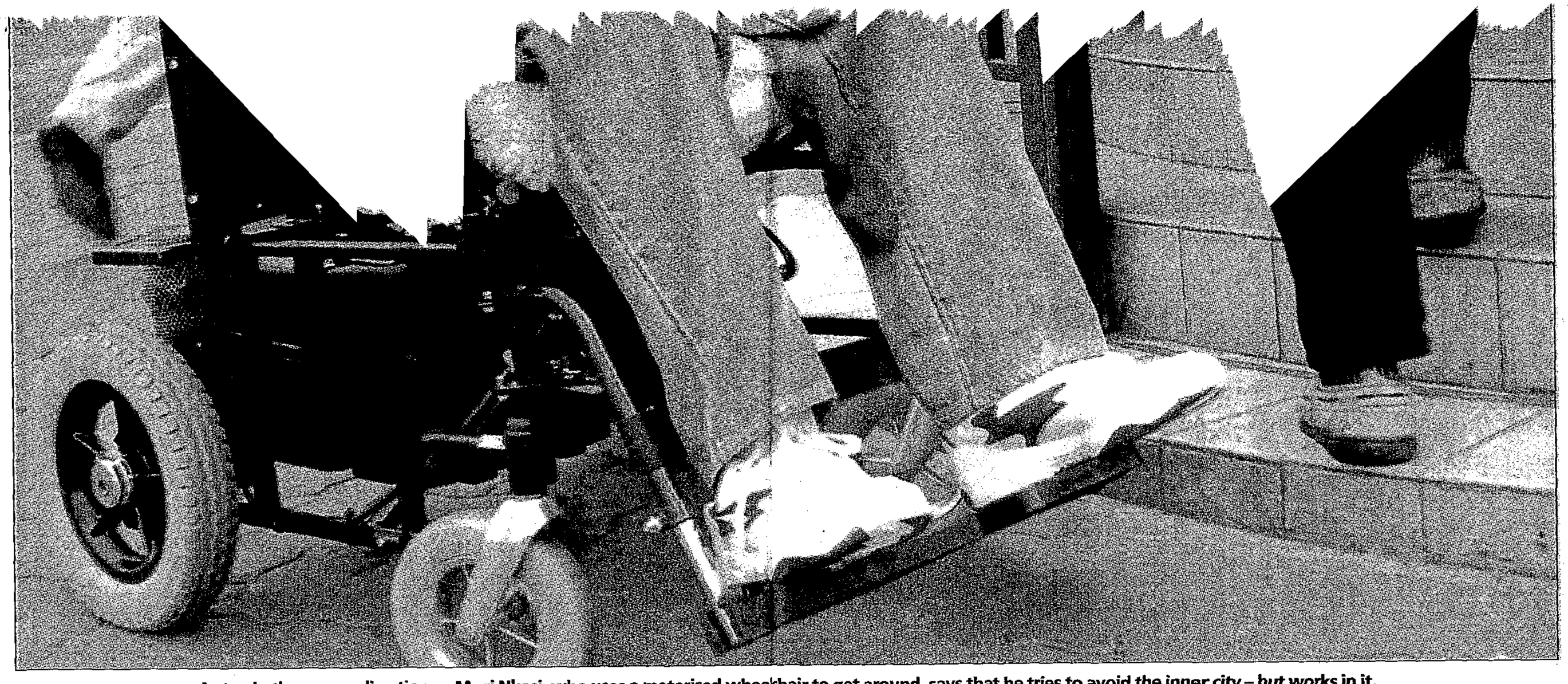
At the Smal Street police station, Nkosi was met by a long staircase and no policemen around to assist. "I refuse to allow people to take me out of the chair and carry me up the stairs," said Nkosi, who was confined to a wheelchair after a shooting incident 16 years ago.

Several buildings are completely inaccessible, unless Hlongwane manages to find a helper willing to assist. Long, winding staircases add to the inner city buildings' facades, but don't do much when Nkosi wants to get inside.

A bank at the corner of Kruis and President streets is accessible to able people only, with several flights of stairs leading to the security entrance.

At another bank close-by, Nkosi tried in vain to draw cash from an ATM. He could not see the screen. He is also a prime target for muggers who can easily see his pin code. Lastly, it is impossible for Nkosi to reach the keys to pin in the instructions.

"I, like most disabled people, try and avoid the inner city like the plague and as far as public transport is concerned, there is no way I can make use of it."



A step in the wrong direction ... Muzi Nkosi, who uses a motorised wheelchair to get around, says that he tries to avoid the inner city – but works in it.

troducing "call-out stops" which would assist blind or visually impaired commuters.

De Beer said the first steps of buses were to be painted a luminous colour, to help the visually impaired. The council was also installing grab-bars and poles, to assist the elderly and disabled.

De Beer said the council was also considering constructing ramps and raised platforms at bus stops. "This might not be the most efficient system though, especially if you take into consideration the number of buses travelling on the routes," she said.

The council was also considering attaching lifts to buses. De Beer said a section would be cut from behind left front wheels, but cautioned that tests were still being conducted to determine whether this would weaken the structure.

The cost of this system has been projected at R50 000 per bus.

"We have inherited an inaccessible transport system, but we accept that disabled people have a right to accessible transport," De Beer said.

"They are entitled to transport, but we have to find the best possible way to make it work."

Premier's offices are being modified for easier access

Star 22/10/97 (297)

Our disabled community still does not have access to all public buildings which, like public transport, are geared towards the able-bodied. Public awareness of their needs and rights is still low. But for the first time, say activist groups, their voices are being heard.

And, albeit slowly, things are being done.

The Bill of Rights within the constitution specifically states that the state may not unfairly discriminate directly or indirectly against anyone on one or more grounds, including disability, and that national legislation must be enacted to prevent or prohibit unfair discrimination.

Clause 9 (3) of Chapter 2 should enable changes, but if they are occurring, they are taking place at an incredibly slow pace or, in some cases, not at all. The disabled still find themselves at the receiving end of discrimination, even though it may be unintentional, as disabled people themselves are quick to point out.

Buildings remain inaccessible to wheelchair users, lifts remain unfriendly to blind people and drivers remain impatient towards the deaf.

> **"A disabled person is unable to do anything on impulse"**

Earlier this year Gauteng's subcommittee on human rights chose as its first focus an examination of disability. In the course of its inspection of government buildings, it became clear that the employment of disabled people was not consistent with the number of people with handicaps in the total population.

It was established that about 74 disabled people had been employed in the Gauteng government, the majority of them in lower level posts.

The subcommittee also found that in signing leases for government buildings in Johannesburg, access for disabled people was not one of the main criteria used.

The department of sports, recreation, arts and culture as well as the premier's office required major alterations. The sports department had no lift from the basement, the foyer was only able to be reached by three steps and the unisex toilet was inappropriate.

"Given that this is one department with a well-developed disabled constituency, this situation was shocking to us," said Vusi Mavuso, chairman of the petitions and public participations committee.

The premier's office was up two flights of stairs with no lift access.

These two departments have been urged to complete alterations as quickly as possible and report back.

Pressure groups point out that for the first time they have a constitution that backs them up when pointing out problem areas such as transport, access to facilities and job creation.

"You need commitment from politicians before you get money. You need them to put their money where their mouths are," says Ellinor Greeff, National Environmental Access Programme (Neap) development manager.

Greeff, who spends most of her time ensuring that people with disabilities of whatever nature have access to the natural and built environment as well as to information and communication, is adamant that some people still need to make a commitment.

Major problems identified by Neap in Johannesburg's inner city, for example, are inaccessible buildings, inaccessible toilet facilities, uneven pavements, pavement traders and lack of transport.

"A disabled person can't do anything on impulse. Even if the destination has parking for disabled people they often find that able people, or even policemen, have taken the parking," said Greeff.

She says improvements to accessibility – such as ramps, curb cuts and accessible toilet facilities – which ensure greater independence for wheelchair users and others who are mobility impaired, also greatly benefit elderly people, people pushing prams, and the temporarily disabled such as those who have a broken leg or suffered a stroke.

Improved access to written and spoken information which benefits the visually impaired and deaf also helps many older people whose eyesight and/or hearing are deteriorating and persons with limited intellectual ability.

Greeff pointed out that people with disabilities would rather be tax-paying citizens, contributing to the economic stability of South Africa, than beneficiaries of Government and charitable handouts.

And as tax-paying citizens, Transport Users Group (TUG) spokesman Dominique Souchon believes their demands for acceptable transport is not a welfare issue but their absolute right.

It has, he says, taken 18 months for Government to change its perception of the disabled transport users' demands from a welfare problem, to a human rights problem, to a transport issue and eventually acknowledging it as a discriminatory budget issue. But, he says, it has been worth it.

> **"You need politicians' commitment before you get money"**

TUG supporters have been vociferous in their calls for equal treatment and, in August, chained members blockaded Johannesburg's bus depot.

"Since 1994, it has taken Government some time to catch up. But, for the first time, we have been able to address the major political party and so far they have responded positively," Souchon said.

He said that a draft policy has been formulated on accessible transport and that the issue has been included in Johannesburg's budget review.

"Another major change has been the fact that we have been able to give direct input to the council," said Souchon.

In Yeoville councillor Sis Njikelana's eyes very little has changed. Njikelana, who is physically disabled, said a lot had happen in terms of people's attitudes.

"I travel overseas and, comparison to other countri we haven't come very far. need an attitude change, need jobs for disabled people, just facilities," he said.

AYESHA ISMAIL

THE former book-keeper for Allan Boesak's Foundation for Peace and Justice, Freddie Steenkamp, is being hidden by police because his life may be in danger.

Steenkamp, 41, was to have gone to Pollsmoor Prison this week after receiving an effective six years for his conviction on five charges of fraud and one of theft involving about R3,7-million.

But he was taken to police cells instead.

State advocate J C Gerber, the prosecutor in the case, appealed to the Sunday Times not to reveal Steenkamp's whereabouts, saying: "There is the possibility that Steenkamp's life may be in danger."

Not even his wife, Amanda, knew where he was when contacted on Friday.

Justice officials decided Steenkamp's life could be in jeopardy after it was revealed that he would be a key witness in the trial of Boesak, who is to appear in February on 32 charges of fraud and theft.

Boesak was to have been tried with Steenkamp, but their trials were automatically separated after the book-keeper stated his intention to plead guilty.

Said one justice official: "The threats are not coming from Boesak, but there are so many people out there who idolise him, you never know what they might do."

A police spokesman, Virna Simon, said: "We will step up security if it is brought to our attention that the life of any person in our custody may be in danger."

Steenkamp's attorney, Gabby Guess, would not comment on the reason for her client being held in police custody.

The Western Cape spokesman for the Department of Correctional Services, Eddie Claasen, said it had been arranged with the attorney general's office and correctional services that Steenkamp would be held in police custody so that he could "help with other investigations".

Archbishop Desmond Tutu has also been named as a state witness in the Boesak case. As a trustee of a children's fund, Tutu informed the police in 1995 that money administered by the foundation for the fund had gone missing.

In passing sentence on Tuesday, Judge Les Rose-Innes said Steenkamp had given a "dramatic" description of how he idolised Boesak and wanted to live like him and be like him.

"This is the first case I have heard where the accumulation of assets has been offered as a mitigating factor," the judge said.

In 1995 Steenkamp's estate was sequestrated. His assets, which totalled about R1-million and included a BMW, ski boat and trailer and household goods, were auctioned to pay off creditors.

Four of his properties were also sold.

SPECIAL REPORT: BOESAK TRIAL

Germany 'likely to widen aid to SA'

BD 10/11/97 (297)

John Dludlu

HAMBURG — Germany, which has extended its aid commitments to SA by a further R160m, is likely to lift the level of development assistance to Pretoria despite pressures to cut spending in preparation of the launch of the European single currency.

Following the DM59,4m commitment for housing and training, Lindiwe Mabuza, SA's ambassador to Bonn, and Anke Eymer, a leading Christian Democrat MP in Schleswig-Holstein, said they were optimistic that German aid to SA would be increased.

There were fears in diplomatic circles that preparations for the euro, the proposed European currency, would force countries to cut development aid in a bid to meet the single currency's requirements.

Mabuza said there were internal problems in Germany, including coping with unification and engaging in the European Union (EU).

However, the debate in Germany was not whether to continue aid to SA, but by how much its assistance could be increased in the future, she said.

German taxpayers are still funding the costs of unification through central government transfers every year to the former East Germany.

The German commitment to development co-operation in SA stemmed partly from a decision by all parties that SA's emerging democracy had to be deepened, Mabuza said.

New areas of focus for development co-operation were being discussed with German ministries, she said.

The foreign affairs department said on Friday that the finance department official in charge of aid had said German aid was well on track.

Additional funding for development projects, including the SA-German vocational training fund and initiatives to strengthen strategic planning capacities, had been agreed to.

Like other EU governments, Germany contributes to the Brussels' R600m-a-year aid programme to SA.

No tax relief yet for NGOs

(297) (820)

MPHO MANTJIU

CT (JHB) 11/11/97

Johannesburg — Tax deductibility for non-governmental organisations' (NGOs) donors was unlikely to be ushered in with the enactment of the Non-profit Organisations Bill now before parliament, Andrew Fulton of the South African Institute of Race Relations said yesterday.

The cash-strapped NGOs were counting on the new law to introduce a liberalised donations tax system. Fulton said the Katz commission had recommended there should not be an amendment to Section 18A to extend tax benefits to the broader range of NGOs.

The NGOs have suffered funding cutbacks since the new government was elected, which has weakened the organisations. But the bill would allow NGOs to register voluntarily with the department of welfare, Fulton said.

A spokesman for the department of welfare said the department had pushed for the benefits and allowances for the NGOs to be prescribed by Geraldine Fraser-Moleketi, the welfare minister. The government had endorsed proposals for NGOs to take part in social and economic development projects.

The spokesman said the bill would provide a boost to small and emerging NGOs. The voluntary nature of registration for NGOs and the scrapping of the Fundraising Act would ensure a free climate for the organisations.

Fulton said the government needed to work with the NGOs as they could provide services more efficiently and had the capacity to introduce new projects.

Labour's UK aid policy promises boomerang

(297) BD 14/11/97

SA could push Britain's Labour Party towards its goal of untying aid, writes **Tim Cohen** in London

FOR idealistic politicians, sometimes the biggest curse is getting elected. So it has transpired for British International Development Minister Claire Short.

While in opposition, the Labour Party argued forcibly about the need to place Britain's aid programmes on a new footing. The aid budget, the party argued, was too small, was going to the wrong people and should not be declining as it had been at the time.

One of the party's particular bugbears was "tied aid", a procedure which required that particular aid programmes were administered by a company or entity of the country providing the aid. This ensured that many of the benefits accrue to members of the host country rather than the stated or intended recipients.

The justification for tied aid is that it provides what is considered a "win-win solution" in that a government's generosity provides jobs in the country of origin as well as providing much needed assistance to beneficiaries.

These measures are popular with politicians who use them to deflect criticism that they are more concerned with the plight of nonvoters in foreign countries than voters in their own countries.

The measures are also extremely popular with the friends of politicians (or at least people who quickly become friends of politicians) and who often make a tidy profit while providing sometimes untidy aid schemes.

Under the previous British administration, the logic of these schemes was taken a step further. A decision was made to develop something called "aid and trade" programmes, which would provide British government money for construction schemes in developing countries.

These schemes took place on the assumption that because the construction projects would employ people, this would in and of itself satisfy the aid portion of the proposal, while the projects would facilitate trade because it would enable British contractors to win the contracts. All of a sudden, aid became more a province of industrial policy than a province of social policy.

The Labour government has gone about reversing this trend, though it must be said that its success has been tempered by certain harsh realities.

In the first white paper on overseas aid in 22 years, Short announced that the funding of aid and trade programmes would be ended.

The aid and trade programme was costing the British government £73m a year. These funds would be redirected to the eradication of poverty and to education, health and recognising the developmental role of women, Short said when making the announcement.

She tried to argue that she was not taking this decision in an antibusiness spirit, emphasising the importance of partnerships between government and private enterprise. But, she said, Britain had a "moral duty" to reach out to the world's poor and needy.

Unfortunately, neither business nor members of her own party saw it quite the same way. One former Labour development spokesman said he was against a blanket ban on the aid and trade programme, mainly because the scrapping of the programme would cost British jobs. Development organisations raised another, arguably more important, point. The World Development Movement said the aid and trade programme accounted for only 10% of all tied aid. More than £500m of Britain's £1,2bn bilateral aid budget was still used to make poor countries buy British.

Short's department disputed these figures, saying that, in fact, tied aid constituted only about 14% of all aid. But while this figure is declining, the department did concede that the solution to the problem of tied aid needed to be "a multilateral one". In other words, Britain intends to continue tying aid until everyone else stops.

As a country which sits halfway between the developed and developing world, and as a major beneficiary of aid (SA got £18m from the UK alone last year), an opportunity must exist for SA to campaign against tied aid, which is market-distorting and is really just an invitation to corruption. Perhaps the slogan could be: Mandela has been released, now untie aid.

Accusations fly in wake of speaker's axing

Pule Molebeledi

ACCUSATIONS flew in Free State politics yesterday over the abrupt axing of the provincial legislature speaker, Rev Motlalepule Chabaku, by the African National Congress (ANC) on Wednesday.

The National Party accused "a radical element" within the ANC of being behind Chabaku's sacking. It was the same faction that orchestrated the campaign which saw former Free State premier Patrick Lekota lose his position earlier this year, it said.

Provincial National Party leader Inus Aucamp said Chabaku was a "victim" of a radical element which had put enormous pressure on her, making her job nearly impossible to perform. Aucamp said the axing was symptomatic of the tensions within the ANC caucus.

Describing the development as a "tragic story", Aucamp said despite the accusations of incompetence, nobody came forward to help Chabaku do her job well.

He said Chabaku was above average. "She has the ability, but was never helped."

It is believed, however, that unsound working relations among provincial ANC members in the legislature, lack of capacity and "old age", were some of the reasons behind Chabaku's axing.

ANC spokesman Gregory Nthatisi said the decision that led to the sacking of the speaker was made by the provincial executive committee at the request of the ANC caucus in the legislature.

Sources said the caucus complained that Chabaku lacked capacity and was not well versed with the procedures and processes of running the legislature. The sources said Chabaku had fallen asleep during legislature sessions.

Chabaku was not available for comment yesterday.

Her secretary said she might comment next week.

BD 14/11/97

Comment: Page 15

PRESS RELEASE



STELLENBOSCH – Adv. Francine-Ann du Plessis, a partner in the accounting firm of **Loubser Du Plessis Inc.,** based in Stellenbosch, has just returned from the 1997 **IA International European & African Regional Meeting** held from 18 – 21 October 1997.

IA International, one of the **25** largest international accounting affiliations, is a network of **135** independent accounting firms located in 68 countries. Headquartered in **Miami, Florida, IA International** was founded in 1978 and is recognised by the United Nations Department of Transnational Corporations and the AICPA.

Adv. Du Plessis attended three days of intensive seminars covering such topics as International Tax, Exchange Control and Foreign Investments, and ISO 9000 Quality Management Systems.

Attendees at this meeting included representation from the **four regions** within IA International. This allowed interaction between partners from the Asia/Pacific Region, European & Africa Region, the Latin American & Caribbean Region and the North American Region.

"These meetings are essential for our Member Firms. Interaction with other IA members not only enables us to provide our clients with comprehensive international services, but also to draw on the varying expertise available from firms in the Association," an excited **Adv. Du Plessis** concludes.

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Maintenance laws will get tougher

Taryn Lamberti

BD 14/11/97

WELFARE Minister Geraldine Fraser-Moleketi has welcomed new draft legislation published by the justice department yesterday which is aimed at reforming the maintenance system and giving magistrates new powers in handling maintenance defaulters.

The new maintenance bill was published for comment by magistrates, maintenance officers and members of the public before it is passed by Parliament.

Fraser-Moleketi said the bill would lead to "greater efficiency" in the private main grant system. The reason many beneficiaries had not received maintenance payments in the past had been because of inefficiency in the system. She said she "absolutely applauded" the new bill.

Deputy Justice Minister Manto Tshabalala-Msimang welcomed the bill, saying it was long overdue. "At present they cannot make a maintenance order against someone who does not turn up in court and cannot order the money to be deducted from his wages until he has been convicted of not paying maintenance," Tshabalala-Msimang said.

The bill proposes that courts be allowed to grant maintenance orders in the absence of defaulters and that deductions be made directly from their wages. Courts would be able to make defaulters pay by stop order or by debit order.

A set of general principles and guidelines would be established to assist magistrates and maintenance officers in assessing the appropriate levels of maintenance and specialised staff would be employed to locate defaulters and serve court documents on them.

The SA Law Commission, which examined the maintenance system in August last year, would monitor implementation of the new system.

The bill was approved by cabinet and would be introduced in Parliament as soon as possible, said a statement released yesterday.

The justice department hoped it would be passed early in the next parliamentary session.



Homeless: a group of homeless people in Cape Town shelter from the elements. A master plan is soon to be devised which will cope with the city's homeless population

Action on homeless

Master plan devised at workshop

(297)

ARG 16/11/97

JILYAN PITMAN

Senior Cape Town municipal councillors, police and community workers have met to draw up a master plan to resolve the problem of the city's homeless people.

The action plan includes finding land or buildings to house the homeless, establishing advice centres for vagrants, setting up job creation projects and skills training and making the community aware of the problem.

There will also be special programmes for street children.

The programme was devised at an "action workshop" organised on Robben Island earlier this month by the Cape Metropolitan Council.

The new initiative will, however, depend on whether it can get financial support from municipalities and business.

The organisations involved agreed to submit progress reports by March.

Delegates also resolved to ask the media, especially newspapers, to mobilise public sympathy and support for homeless people in Cape Town.

The meeting was chaired by Sea Point city councillor Chris Joubert and included delegates from all municipalities in the Cape Town metropolitan area and from various non-government organisations involved with the homeless.

But there were no representatives from the business sector or the Chamber of Commerce at the meeting, although delegates said business support would be canvassed.

Mr Joubert said: "Ways still have to be explored to get the facilities up and running and to keep them going. There is a lot of support from the Chamber of Commerce for this project."

Metropolitan council mayor William Bantom said media support was critical.

"It is so easy for journalists and editors to report negatively on the failings of the street community.

"Television, radio, and more especially print, in the form of regional and local newspapers, can mobilise a great deal of public sympathy and support for the work we do," Mr Bantom said.

Sarah Crawford-Brown, hostel co-ordinator at the Salesian Institute, said the meeting had been a major step forward.

"We no longer threw verbal hand-grenades at each other and we were able to communicate for the first time," she said.

Ms Crawford-Brown said the process of trying to help the city's homeless had been going on for about 10 years but the Robben Island meeting had clarified what had to be done next.

She said the Cape Metropolitan Council should move away from party politics and should instead look at the real issues.

"Politics gets in the way of a real solution," she said.

She said non-government organisations helping the homeless had been frustrated for many years.

Debbie Diamond of Co-ordinated Action for Street People has taken a business plan on solutions for homeless people to the Chamber of Commerce and to the police.

"The process was healthy and I'm excited about it," Ms Diamond said after the meeting.

Annette Cockburn of the Western Cape Streetchildren's Forum agreed the workshop was a positive development. "We have all talked enough in seminars and now we have ... something to work on," she said.

Director of Child Welfare Alan Jackson said that he was pleased with the outcome of the meeting but was disappointed there were no business people present.

"A number of issues will be implemented next year and by the the turn of the century the overall programme should be up and running.

"The business sector will be lobbied for their support," he said.

IN BRIEF

Draft law to restore social security to central govt

DRAFT legislation which will effectively restore the administration of social security grants, currently assigned to the provinces, to national government, was approved by the National Council of Provinces' Welfare committee on Friday.

It was supported by all provinces except the Western Cape, which argued the move was unconstitutional. Western Cape delegate Neels Ackermann said once a power had been assigned to a province, it could not be overruled.

The welfare department maintains that last year's assignment of powers to the provinces in terms of the Social Security Act was a mistake and invalid, as issues regulated by the act are substantially national competencies.

Radio Islam judgment today

THE Johannesburg High Court will hand down judgment today in Radio Islam's application to have their hearing before the Independent Broadcasting Authority's monitoring and complaints committee interdicted.

The committee received complaints over Radio Islam's alleged refusal to give women presenters airtime on the station and scheduled a hearing into the matter on November 12. Radio Islam claimed it needed a postponement because its lawyers were not available, and requested "further particulars" of the charges. The committee said the station had had ample time to prepare its case and refused the postponement.

Cabinet to look into the rights of the disabled

BD 17/11/97 (297)

Reneé Grawitzky

SA's first disability strategy will be considered by cabinet on Wednesday after a committee last week approved a white paper on disability, director of the office on the status of disabled people Shuaib Chalklen said on Friday.

He said the white paper was the result of three years of discussion, consultation and investigation of disability issues in SA.

The vision of the proposed integrated national disability strategy was a society that would ensure those with disabilities could play a full, participatory role. He said disabled people had been excluded from mainstream society and experienced difficulties in accessing fundamental rights.

The white paper had developed strategies to address issues facing the disabled such as health care, rehabilitation, public education, barrier-free access, human-resource development, housing and others.

NEWS

SA NEWS DIGEST

ENGINEERING

CT(BR) 18/11/97

Federation expects to boost turnover despite a slowdown in investment

The civil engineering industry expected to defy the blow from slumping infrastructure investment and cost escalation to post turnover growth of 19 percent to over R7 billion by the end of this year, said the South African Federation for Civil Engineering Contractors (Safcec) yesterday. Henk Langenhoven, Safcec's economist, said confidence levels had dropped 16 percent since the first quarter of this year. He said lack of funding for small and medium contractors from provincial authorities was the cause of the pessimism. "Many contractors are not getting paid, or conversely, awarded contracts without firm starting dates because of lack of funding. It is no secret that larger contracts are taking longer than anticipated to come to fruition." He said the industry was expected to post a 2,8 percent growth to R8,2 billion next year as all leading indicators pointed to a nominal slowdown. Langenhoven called for efforts to be stepped up to ensure that the government's macroeconomic policy did not falter. — *Ncaba Hlophe, Johannesburg*

ECONOMY

Strong leadership 'makes the difference'

Strong leadership could make the difference between steering the country into a prosperous future or letting it slide into a rut of failure, said Brand Pretorius, the head of McCarthy Motor Holdings, at yesterday's 1997 South African Leadership Summit Conference. "Strong leadership determines the political environment, social development and ... economic growth, which directly affects business success. It is a common perception ... the economic future of South Africa does not appear to be very bright. High expectations are now confronting limited resources ..." He said things would begin to look up. He predicted the deregulation of the economy would accelerate, as would growth in the informal sector, with constant pressure coming from demanding customers. "However, the world is now open to us, new opportunities emerge on a daily basis and it is possible for South Africans to compete on an equal footing in the market place. This presents our leaders with the challenge of either becoming world class or perishing." — *Shirley Jones, Durban*

TAXATION

(297) CT(BR) 18/11/97

Commission warns NGOs not to expect panacea

The Nonprofit Organisations Bill, which should be passed by parliament this month, would not be a panacea to non-government organisations (NGOs) hoping for donation tax incentives, said the Katz commission on tax. A commission sub-committee last week released a document examining the tax dispensation for NGOs. Dennis Davis, the sub-committee's chairman, said questions arose as to the justification for a favourable tax dispensation for NGOs. The sub-committee said there should be no amendment to existing legislation to extend tax benefits to more NGOs. At present, the tax law provides for a restricted range of tax deductions for contributors to NGOs. Section 18A of the Income Tax Act is the only specific deduction for this purpose and only applies to bona fide donations made to universities and educational funds, with the deductible amount limited to 5 percent of the taxable income of a company. Donations to many welfare and public interest NGOs did not qualify for tax deductibility. — *Mpho Mantjiu, Johannesburg*

Proposed subsidy cut leaves private welfare bodies reeling

BD 19/11/97 (297)

GRAHAMSTOWN — Shock and outrage greeted the embattled Eastern Cape welfare department's proposed subsidy cut for private welfare bodies yesterday.

The department proposes slashing its 75% subsidy of private welfare bodies by 42% from December 1 in a desperate bid to satisfy the treasury's demands that all sectors cut back on spending to address the department's huge budget deficit.

The department, its own budget slashed short of expectations by R1bn earlier this year, has already announced it will not deal with any new pension applications until next April.

Social workers say the department has also suspended back pay on many pensions, while its "data cleaning" re-registration of pensioners has led to many legitimate pensioners losing their payments.

The proposed private subsidy cut — amounting to R3,5m monthly and retrospective to last month — will hit the Child and Family Welfare Society, Famsa and private children's homes hardest.

It also emerged yesterday that no welfare organisation, without huge capital reserves to finance a shortfall, could sustain such a subsidy cut for more than two or three months.

Stunned by the sudden news brought to them by department representatives in meetings starting in Port Elizabeth yesterday, Eastern Cape social workers and nongovernmental organisation representatives headed for East London today for a hastily called meeting with Bisho officials who told them the cut "may be negotiable".

A welfare spokesman said staff were "shocked and devastated" at the news of the proposed cuts.

"Our concern is what is going to happen in the future. Cuts would force us to close our doors, which would be a disaster for the whole community. The society's crèches and rural education projects would be curtailed."

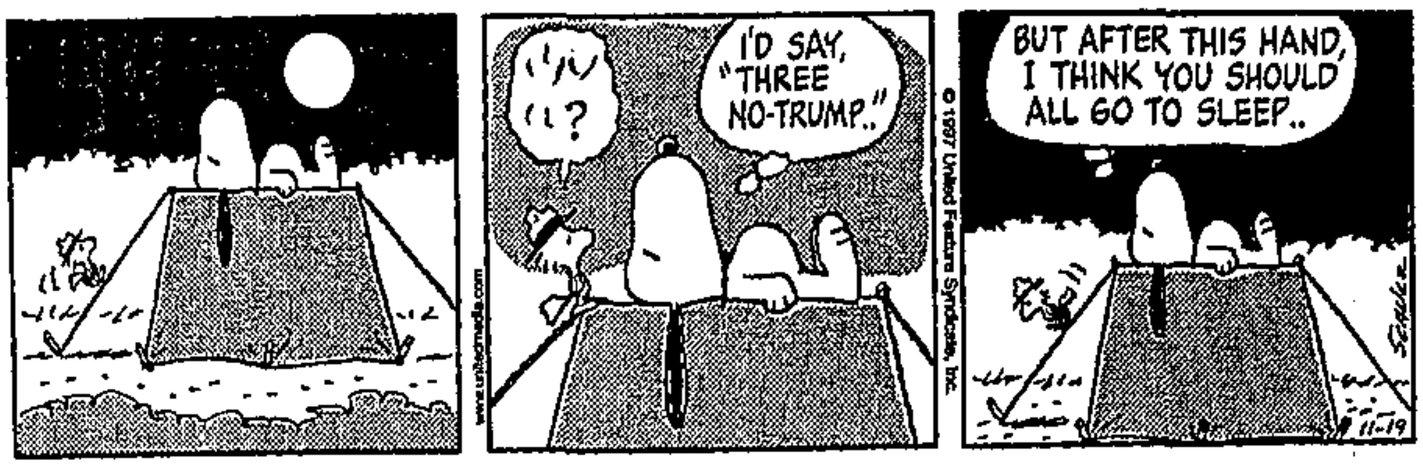
In Grahamstown, for example, the society had 10 social workers, and each has a caseload of about 300 clients, while our intake of new clients increases by between 10 and 12 people daily".

Society for the Physically Handicapped spokesman Catherine Letcher said: "It's a great shock. We will feel the pinch, but we are small and I'm more worried about the effect on people like Child Welfare."

Angry Rhodes University (East London) social work department head Felicity Coughlan said after the meeting: "The people paying the price are going to be the region's weakest and most vulnerable."

She described the proposed cut as "patently impossible, unethical and unworkable". — ECN.

PEANUTS By Charles Schulz



PLAN TO CREATE 40 000 JOBS

R300m to be spent on fighting rural poverty

THREE MAINLY rural provinces will be the principal beneficiaries of a plan to fight poverty. **CHARLES PHAHLANE** of the Parliamentary Bureau reports.

A PLAN to fight poverty and create jobs in largely rural areas — to be funded from R300 million set aside in this year's Budget — was unveiled yesterday by Finance Minister Mr Trevor Manuel.

He said R85m would be allocated to the Public Works Department, R150m to Water Affairs, R50m to Welfare and R15m to Health.

"The government has increasingly sought to make available funds for infrastructure so that there can be an increasing shift away from consumption to capital spending," Manuel said.

Public Works would concentrate mainly on three mainly rural provinces selected in a poverty indicator. Eastern Cape would get 38%, KwaZulu-Natal 33% and Northern Province 29%.

Public Works Minister Mr Jeff Radebe said the projects would be run in close consultation with local governments, which would facilitate them and, in the process, build their own capacity.

The Water Affairs Department would also concentrate its funds in the three provinces, with particular attention to Northern Province, where severe drought is expected this summer. About 40 000 jobs would be created.

"The funding will mean that the number of projects we are involved in will nearly treble to 100," Water Affairs Minister Mr Kader Asmal said.

About 10 800 new jobs would be created in KwaZulu-Natal, 7 700 in Eastern Cape, 5 400 in Western Cape, 4 900 in Northern Province, 3 600 in Mpumalanga, 2 800 in Northern Cape, 1 800 in the North West, 1 200 in Gauteng and 1 000 in Free State.

The Health Department will use the funds for its nutrition programme to extend feeding to families. Health Minister Dr Nkosazana Zuma said any attempts at poverty elimination would help fight malnutrition and disease.

Various projects, chiefly for rural women would benefit from the Welfare Department allocation.



WAR ON POVERTY: Cabinet ministers came out in strong support of a national campaign to eradicate povey in South Africa. Attending yesterday's launch of War on Poverty were Water Affairs Minister Kader Asmal, Public Works Minister Jeff Radebe, Finance Minister Trevor Manuel and Health Minister Nkosazana Zuma.

PICTURE: THEMBINKOSI DWAYISA

R300m to help fight poverty (297)

LYNDA LOXTON
PARLIAMENTARY CORRESPONDENT

ETCBE) 20/11/97

Cape Town — The government announced measures yesterday to extend the slowly developing social security net to the unemployed by creating jobs in targeted areas.

Trevor Manuel, the finance minister, and three other ministers detailed the allocation of the R300 million set aside in the 1997/98 budget for labour-based poverty relief programmes.

Manuel said: "There is a shift away from hand-outs to involving and empowering people to be able to deal with problems of poverty and unemployment."

Of the R300 million, R85 million will be spent on community-based programmes run by the department of public works, R150 million on the water affairs and forestry department's "working for water" programme, R50 million on the income generation programme run by the welfare department and R15 million on the health department's integrated nutrition programme.

The allocations would not be integrated into departmental budgets nor be used to service budget deficits or overspending, said Manuel.

He said good progress had been made in establishing a social safety net for the poor through increased pension payments and the extension of child benefits, but these programmes were aimed at the able-bodied.

South Africa's state lottery is the 'last big one in the world'

ET(BE) 20/11/97 (297)

The heavy hitters have been here for more than a year, building their politically correct consortiums and generally lining up their stuff so that come next June it will deliver that winning jackpot line.

At this stage the diplomats are merely keeping a watching brief on the race for the running of South Africa's state lottery.

They will not get involved unless things get tough. But given the record of other bids involving mega bucks — like that for the new television channel — they might have to engage in some behind-the-scenes arm twisting, just to ensure the competition is run fairly.

One hears that up to a dozen bids will be tabled next March from consortiums wishing to run the state lottery.

I am assured, however, that only five companies — G-Tech, AWI and ILTS from America, S-Net from Sweden and IDJ from France — have what it takes to make a lottery of South Africa's proposed size work.



JEAN-JACQUES CORNISH

IDJ reportedly withdrew from the contest earlier this year, frustrated at the delay in the passing of enabling legislation.

But now that the Lotteries Act is on the statute book, the French are understood to be back in the running.

Passage of the act earlier this month effectively means that President Mandela did not take Richard Branson's advice to privatise everything else but keep the lottery under state control.

Branson still has some outstanding legal business with G-Tech, which won the bid to run Britain's lottery.

Branson is being sued for calling that the "lottery of greed". He is reported to have turned down an out-of-court settlement and wants his day in court to publicise his allegations as widely as possible.

South Africa's lottery is being seen as the last big one in the world. Given the country's role on the continent, it will inevitably also become the model for reviving those African lotteries that have run into deep trouble.

Small wonder, then, that anybody who is anyone in this business wants to run it.

Come March, the consortia will have to submit bids reflecting the percentage of the total income they wish to be paid.

This will be a complex business with figures running to two or three decimal points.

Looking at it as a pie chart, imagine half of the income being taken immediately for prizes. A further large slice — between 30 and 35 percent — will go to finance government RDP projects. Costs, including hardware, rentals, communications, commissions and personnel have to come off the remaining 15 percent.

Since the real gambling specialists never gamble, it is impossible to pin any of the players down on what the bids will be. The most likely figure, however, is between 4 and 5 percent of the total.

Thus the size of the pie becomes crucial to the profitability of this venture for these multinational competitors.

The conservative figure most seem to be working on is $1 billion.

This is extrapolated from figures obtained from formal and informal gambling in South Africa — you can bet that every one of the leading players has looked closely at everything from the off-course tote to Fah Fe — and from other national lotteries.

Malaysia is seen as a good example. That country's 20 million people include 14 million Muslims who, on religious grounds, are not permitted to gamble. Nevertheless, Malaysia's three lotteries pull in $2,6 billion a year.

The lottery will bring huge benefits to associated businesses. The state lottery invariably become the largest telecommunications client in a country and, in may cases, the largest advertiser.

The enormous stakes in this race, which will become increasingly more interesting in the months ahead, are self-evident.

When the winner is announced in June or July next year, the next round of the battle will commence: among the charities vying for the government handouts from the proceeds.

Here too the diplomats will be keeping a close watch to see where their aid funds can be freed up or rechannelled to other needy causes.

R300m poverty relief focused on labour-intensive projects

(299) BD 20/11/97

Linda Ensor

CAPE TOWN — Hundreds of thousands of rural dwellers stood to benefit from a R300m poverty relief programme focused on labour-intensive public works, water and welfare projects, announced by Finance Minister Trevor Manuel yesterday.

The R300m was set aside in Manuel's March Budget, but allocation was delayed for several months while the clearly targeted projects were identified and structures put in place to implement them. Cabinet approved the projects last week.

Pockets of rural poverty in five poor provinces — Eastern Cape, Northern Province, KwaZulu-Natal, Mpumalanga and Northern Cape — were identified as beneficiaries for the funds. Women and children, in particular, would be involved.

"In terms of establishing a social safety net which reaches into the poorest communities, government has made good progress in targeting the elderly and, more recently, the young. Today's initiative targets the able-bodied of working age and represents an attempt to extend the social security net to the unemployed," Manuel said.

An amount of R150m was allocated to the water affairs and forestry department's Working for Water project to clear invading alien trees. Water Affairs and Forestry Minister Kader Asmal said at a news briefing that jobs had also been created through the restoration and maintenance of cleared areas.

"The additional R150m will mean that the number of projects we will run will nearly treble. There will be 100 additional projects in different parts of South Africa and we anticipate that 40 000 additional jobs will be created, 55% of them for women," Asmal said, noting that about five dependants would rely on the income earned. Presently, 9 000 people were employed in 38 projects.

A total amount of R85m was allocated to the public works' community based programme, with R32,3m of this to be spent in the Eastern Cape, R28m in KwaZulu-Natal, and R24,7m in the Northern Province. Public Works Minister Jeff Radebe said the programme involved the labour-intensive construction of infrastructure. The jobs created would have positive spinoffs for the welfare of an average of 3,8 other people.

The welfare department's income-generation programmes would receive R50m for once-off funding for community-based and welfare organisations working with the very poor — mainly women — so that they could kick-start micro-enterprises in rural areas by acquiring assets. The provinces would receive R40m directly to allocate to these programmes, while R10m would be kept for national allocation.

Finally, R15m was granted to new projects within the health department's integrated nutrition programme. These projects would focus on income generation such as agricultural production to improve access to food, especially for women and children — 1,5-million of whom were stunted because of malnutrition. Health Minister Nkosazana Zuma said the aim was to shift away from handouts towards creating sustainable food security for the family.

Manuel said that to derive maximum benefit from the R300m, it was stipulated that its allocation would be tied to specific projects and not integrated into the three departments' budgets. Bureaucracy was to be kept to a minimum and the money could not be used to service budget deficits or overspending.

Other criteria for choosing the projects were a clear link between the level of expenditure, the time frame involved and the extent of the relief provided; the sustainability of the relief provided; the provision of infrastructure or services that had a wide range of beneficiaries and popular appeal. The potential for expansion at relatively low cost and opportunities for the involvement of other government and private institutions would also be taken into account.

DP challenges MEC to reverse cut or resign

BISHO — Eastern Cape welfare MEC Mandisa Marasha should resign if she could not reverse a decision to cut subsidies to private welfare organisations by 42%, Democratic Party (DP) provincial MP Eddie Trent said yesterday.

Trent, who has had no response to his demands for explanations for the financial crisis in Marasha's department; said yesterday the announcement was "a disgraceful, heartless act of insensitivity".

It emerged on Monday at a regional welfare organisations meeting in Port Elizabeth that the cash shortage would force the department to cut its subsidies from next month.

At a similar meeting in East London on Tuesday, welfare officials could not promise that the subsidies would grow again when the next fiscal year begins in April.

However, it was rumoured that the welfare department would be seeking assistance from the provincial treasury.

The treasury is already diverting savings from other departments to welfare and education, which together will overspend their budgets by R1,6bn this financial year.

Welfare department spokesman Cinga Nokwe said the subsidy cut was only a proposal and a final decision would be taken by the end of the week after consultation with welfare groups.

However, Eastern Cape welfare organisations said yesterday the proposed cuts would force them to close. East London Famsa director Linda Steven said: "What it means is we will have to shut down. We don't see ourselves surviving." — ECN.

Education MEC sacked 'in interest of good governance'

Pule Molebeledi

NORTH West premier Popo Molefe sacked his education MEC Mmamokoena Gaoretelelwe yesterday and replaced her with public works and roads MEC Zakes Tolo.

He said the move was "in the interest of good governance".

His swift action follows repeated complaints by education bodies, including the provincial SA Democratic Teachers Union (Sadtu), that the management and state of education in the province was in chaos.

Gaoretelelwe's axing follows the appointment of a forensic audit team this month.

The team is investigating, allegations that millions of rands is missing from the department and is expected to report in December.

Two months ago, tensions between Molefe and Gaoretelelwe became increasingly apparent when the premier demanded a public explanation from the MEC for employing her sister-in-law's services in her battle to dismiss more than 400 foreign teachers.

Gaoretelelwe was accused of nepotism and irregular behaviour for employing Nomsa Khumalo as an instructing-attorney in the case. The complaint was that she could have used state attorneys at no cost.

This, together with marches from the teachers' union, prompted provincial education deputy director-general Gulam Husien Mayet to resign. He also did not enjoy a good relationship with the MEC.

Sadtu provincial secretary-general Seth Ramagaga said his organisation respected Molefe's decision.

He said "everybody" was aware that there were serious problems with education in the province and that despite many attempts to rectify the situation, nothing had happened.

He said Sadtu had not thought that Molefe would sack Gaoretelelwe.

The reshuffling of the cabinet will see Tolo's public works and roads portfolio going to arts, culture and sport MEC RL Motsepe.

Former chairman of the standing committee for finance and economic affairs, ZT Tumagole, replaces Motsepe.

The Rev Johannes Tselapedi retains his agriculture portfolio, Martin Kuscus is still MEC for finance and economic affairs; Paul Sefularo MEC for social welfare and development; Satish Rhoopa MEC for safety and security and Darkie Africa is still MEC for local government, housing and planning; P Vilakazi transport and civil aviation MEC; and E Molewa for tourism and environmental affairs.

Union forces ministry to withdraw circulars

PIETERSBURG — Strong objections by the SA Democratic Teachers' Union have forced the Northern Province education department to withdraw two circulars regarding stringent cost-saving strategies.

The plans included the termination of the services of temporary teachers in the province.

One of the circulars, directed to regional directors of the department, gave instructions for letters to be sent to all temporary teachers notifying them their posts would become vacant at the end of the school term. The posts would be advertised, and the sacked teachers would have to compete with other applicants for appointments, the department directive said.

The second circular urged all schools to reduce stationery use, suspend all paid overtime and not to fill empty posts.

Union provincial secretary Walter Segooa said yesterday the union had persuaded the department to withdraw the instructions, because some were in conflict with the agreed service conditions of most of the teachers concerned.

"We wish to applaud the department for the bold stand they took in averting chaos, by withdrawing the circulars," Segooa said. He said such matters warranted clear and properly guided discussions with employee organisations.

Provincial education departments throughout the country are planning to reduce staff levels, in response to a policy decision by the national education ministry. — Sapa.

irregular method to reach its verdict.



Kader Asmal



Nkosazana Zuma



Trevor Manuel



Jeff Radebe

R300-m for jobs

Cabinet ministers to oversee poverty relief fund

Sowetan 20/11/97 297

By Rafiq Rohan
Political Correspondent

The Government announced the establishment of a R300 million poverty relief fund yesterday which will also lead to the creation of thousands of jobs.

The multifaceted programme will come into effect immediately, it was jointly announced in Parliament by four senior Cabinet ministers who will oversee its operation and implementation.

The Ministers of Finance Mr Trevor Manuel, Public Works Mr Jeff Radebe, Water Affairs Professor Kader Asmal and Health Dr Nkosazana Zuma will all work on the project.

The announcement is good news for many people in the rural areas, particularly those described as "the poorest of the poor".

The R300 million fund will be used on projects aimed at improving the living and nutritional conditions of people. It will also focus on creating jobs.

Target of projects

Four provinces will be targeted as part of the project – the Eastern Cape, KwaZulu-Natal, Northern Province and Mpumalanga – which all have large rural populations and large-scale poverty.

In the financial breakdown of the fund, Water Affairs will receive the lion's share of R150 million, Health R15 million, Public Works R85 million and Welfare and Population Development R50 million.

Yesterday a jubilant Asmal announced that, under his programme called Working for Water, he will establish 100 new projects throughout South Africa.

He expects 40 000 new jobs to be created in all nine provinces.

"We will work exceptionally hard to deal with issues that are of crucial concern in poverty relief, such as the status of women, rural destitution and the plight of the disabled," Asmal said.

An excited Manuel said that not only would the plan, which is in accordance with Reconstruction and Development Programme (RDP) and Growth Employment And Redistribution (Gear) policies, help in sustainable growth, but they would reduce the high unemployment rate in the country.

"Government's belief is that labour-based programmes are able to make a significant contribution to meeting Government employment targets," Manuel said.

Welfare Minister Ms Geraldine Fraser-Moleketi said she would use her R50 million allocation to encourage small development programmes, especially those targeting rural women.

Development programme

She cited an example of an application she received from a small development programme.

A group of eight women in the Northern Cape wanted to buy two washing machines and irons to do laundry for tourists at the Augrabies Fall on the Orange River and on neighbouring farms.

They required R8 000 for the project.

Other applications related to bread-baking projects, furniture-making and numerous other projects involving skills training.

Zuma said that a large part of her allocation would be focused on nutritional programmes to stem the high number of stunted children, which is caused by undernourishment.

Radebe said he would be spending his R85 million in the Eastern Cape, Northern Province and KwaZulu-Natal.

The money will be used through his community-based programme which "focuses on the creation of infrastructural assets through labour-intensive construction, especially targeting women".

MAIL & GUARDIAN
November 21 to 27 1997

Patel in welfare break-up

M+G 21-27/11/97 (297)

Mail & Guardian reporters

The Department of Welfare and Population Development's Director General Leila Patel is set to resign her post after clashes with welfare minister Geraldine Fraser-Moleketi came to a head in the past fortnight.

The two have not met regularly or worked closely together for a year, as a minister and director general should. And this week Patel was said to be negotiating a final package. She is considering options in the private sector.

Neither the welfare ministry nor its department would comment on the pending resignation of the director general, but one of the chief reasons she is leaving is because Fraser-Moleketi attempted to take too strong a hand in the running of the department. This turf war appears to be the result of increased pressure from Cabinet on ministers to deliver.

Patel has survived two National Party ministers — Abie Williams and Patrick McKenzie — and is seen as the driving force behind efforts to drag welfare into the 20th century. She wrote the welfare department's white paper, which shifts social security away from a maze of apartheid state handouts to a more coherent policy that attempts to transfer skills and provide more security for those in need.

But implementation of these policies is only just starting and many believe that Patel's departure could stymie the new plans, leaving Fraser-Moleketi with a political hot potato. The welfare department plays a crucial role in catching the fallout from the belt-tightening which the government's Growth, Employment and Redistribution strategy demands.

Problems arose last year around the Lund proposals — the controversial plan to increase the number of welfare grant recipients, but radically trim state pay-outs to them. Patel and Fraser-Moleketi agreed on the principles, but differed on the implementation of the system.

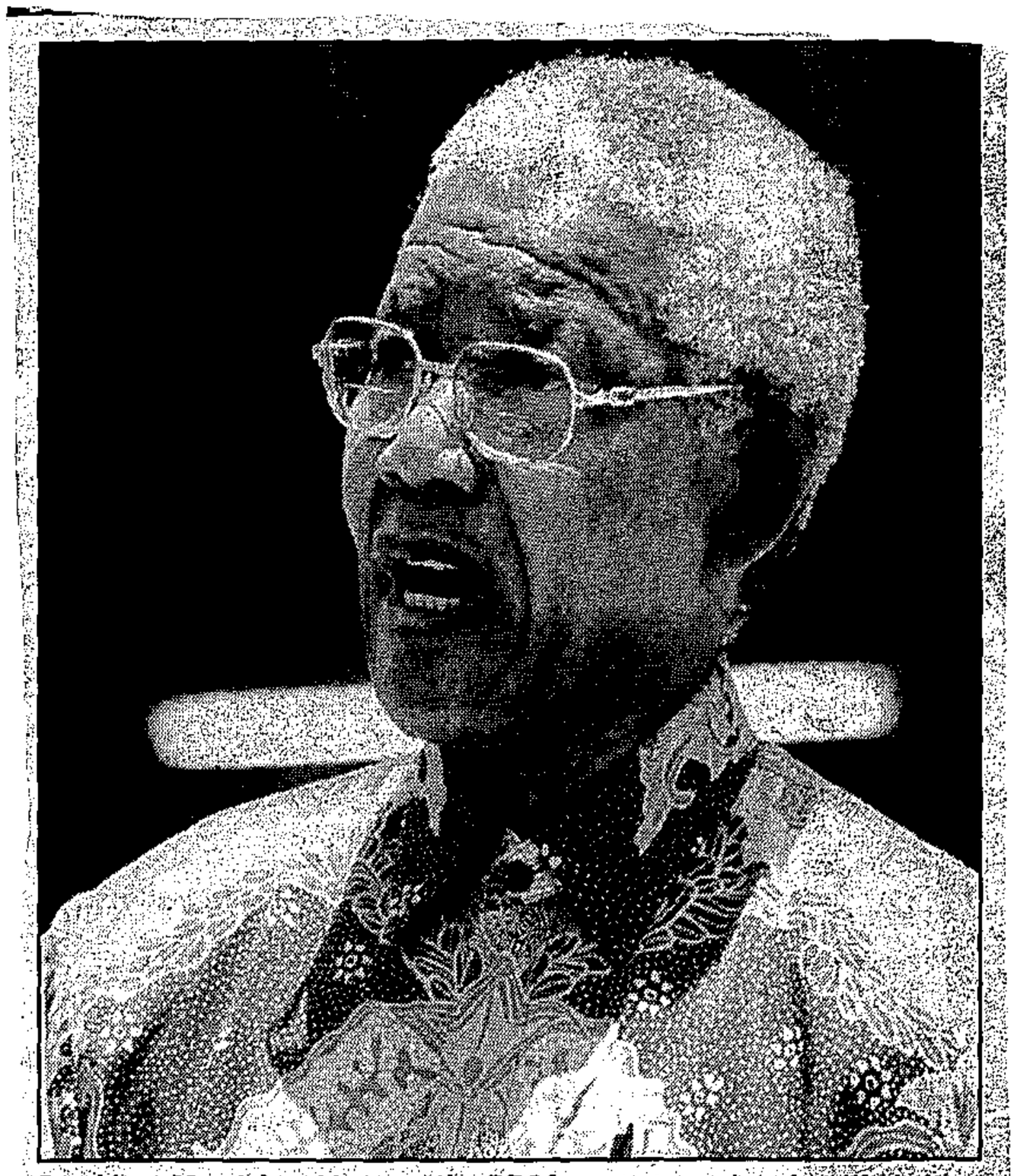
The draft law, largely Patel's brainchild, is set to be promulgated by Parliament early in the new year, with implementation later in 1998. It aims to provide social grants to three million poor children up to the age of five.

Putting the new system in place was largely Patel's baby. The proposals that were first unveiled earlier this year met with condemnation because they will slash existing grants.

Patel cut her activist teeth in the Western Cape and has carved a name as one of this country's most highly qualified welfare brains. Prior to her appointment as director general, she was instrumental in designing post-apartheid welfare policy and has also acted as a consultant to the World Bank and the United Nations agency, Unicef.



Going private: Leila Patel



President Mandela addresses the DBSA management and staff at the bank's premises on Friday. PIC: LEN KUMALO

DBSA 'well placed' for region's success

(297)

By Shadrack Mashalaba

THE Development Bank of Southern Africa (DBSA) is well placed to make the Southern African Development Community a powerful engine for development in the region, President Nelson Mandela said on Friday.

However, Mandela cautioned that much still had to be done to achieve this goal. Sowetan

On a motivational tour, Mandela congratulated bank staff on the successful transition from a chief apartheid organisation to the Government's premier development institution.

"We believe that the DBSA is well placed to make a lasting impact on the prosperity of the region. We are encouraged in this by your work in policy development, in building links with other development finance institutions in SADC, and by the growing list of investment projects in the region," he said.

He said the institution had risen to the challenge as a body dedicated to development, working within a national framework of reconstruction and development. 24/11/97

The bank has disbursed about R1,387 billion during the last financial year and over R2 billion has been projected for the current financial year.

In its endeavour to transform the institution, a new board of 14 members was appointed by Finance Minister Trevor Manuel on July 29.

CT(BR) 25/11/97

NON-GOVERNMENTAL ORGANISATIONS

New bill proposes tax breaks for donors

The Nonprofit Organisations Bill would provide donors with a tax break for donations to nonprofit organisations, Geraldine Fraser-Moleketi, the welfare minister, said last week.

She said the existing provisions for granting exemptions from paying tax on income needed to be extended to a wider range of organisations, especially those involved in social services and development work. (297) 32

"The incentive would encourage the business community to grant funding which would not be taxed," said David Fortune, the managing director of Streets, a non-governmental organisation.

"This is unexpected good news. We thought we were in for a disappointment after the Katz Commission's recommendations that there should not be an amendment to Section 18A to extant tax benefits." — *Mpho Mantjiu, Johannesburg*

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CT 25/11/97 (297)

New board to aid development

A NEW board of trustees to oversee the Independent Development Trust (IDT) would be appointed by the end of January, Public Works Minister Mr Jeff Radebe said yesterday. This was in line with the government's restructuring and transformation plans for the trust, he said.

The public would be asked to nominate suitable candidates, he told a media briefing in Cape Town.

The board will comprise eight new trustees and four of the present ones.

The IDT was set up in 1990 — with a grant of R2 billion and under the chairmanship of former judge Jan Steyn — to address the problems of poverty.

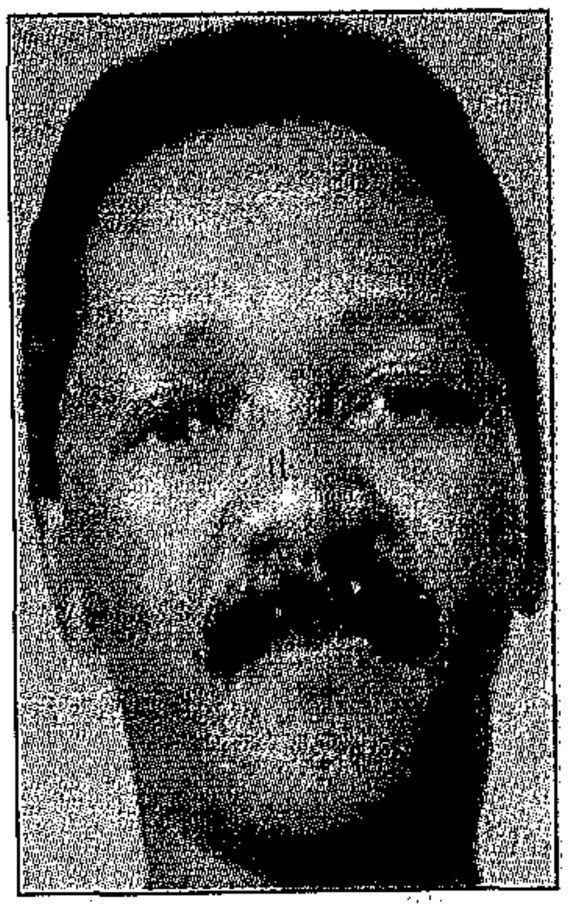
In March this year the cabinet accepted the recommendations of an advisory committee, chaired by Deputy Trade Minister Ms Phumzile Mlambo-Ngcuka, to restructure the relationship between government and civil society organisations.

These included setting up a National Development Agency (NDA) — a separate organisation to exist alongside the IDT — to fund these organisations.

The IDT's main task would be to facilitate project implementation, and its trustees had agreed in principle to help fund the NDA, Radebe said.

Mlambo-Ngcuka said the NDA had asked for start-up capital of about R90 million from the central government, and was expected to come into operation next year.

It would inherit the assets of its forerunner, the Transitional National Development Trust, which was set up in January 1995.



NEW TRUSTEES: Jeff Radebe

New development agency looms

(297) ET(BE) 25/11/97

LYNDA LOXTON

Cape Town — The planned new national development agency should be established by July next year with about R90 million in start-up capital, Phumzile Mlambo-Ngcuka, the deputy trade and industry minister, said yesterday.

Mlambo-Ngcuka and Jeff Radebe, the public works minister, also announced that the uneasy relationship between the Independent Development Trust and the government was to be transformed through the amendment of the Independent Development Trust's trust deed. This amendment would allow the public to nominate new board members and place the Independent Development Trust under the oversight of the parliamentary finance committee.

Mamphela Ramphele, the chairman of the Independent Development Trust, welcomed the move and said: "(It is common knowledge that the trust was established in the dying days of the old regime. We at the trust have always felt uncomfortable about our status of having been born in sin. So this is an important part of laying the past to rest."

Trust to become agency for government projects

BD 25/11/97 (297)

Linda Ensor

CAPE TOWN — The Independent Development Trust, established in the last years of the former government, is to lose its independence to become a semistate facilitating agency for government development projects targeted at the poor.

In terms of a restructured trust deed agreed to by government and the trust's trustees, government as well as private sector and civil society representatives would sit on the board. This board would be directly accountable to Parliament through the finance department. In the past trustees were appointed by the chairman.

President Nelson Mandela would appoint a selection committee for a new, 12-member board of trustees — four of them current members — which should come into being by the end of January for a four-year term of office, Public Works Minister Jeff Radebe announced at a news briefing yesterday. The public would be invited to nominate candidates.

Trust chairman and University of Cape Town vice-chancellor Mamphele Ramphele said the nature of the projects undertaken by the trust would change from self-initiated programmes to government-inspired ones compatible with national development goals.

Most of the trust's self-initiated projects, such as the R60m 1 000-schools project, were being wound down, while those undertaken in partnership with government — such as the Working for Water project and the R103m community works project — were being scaled up considerably.

Ramphele felt it necessary to establish the trust — "born in sin" during the apartheid regime — on a new footing. The old trust deed, with its emphasis on independence, had endemic problems which made it difficult for the trust to act as a partner of government in development and to align itself with broader development objectives.

"There was no way the trust could occupy its rightful place in development without undergoing this transformation," Ramphele said. She believed there to be just under R1bn in uncommitted funds remaining from the R2bn grant made by government in 1990, which had generated a further R1bn through investment.

Some of these funds could be channelled to the National Development Agency, a separate body which would be established to fund the development work of nongovernmental organisations. The agency had requested R90m in start-up capital from government, deputy trade and industry minister Phumzile Mlambo-Ngcuka said. Most of the trust's future funds would come from the government departments commissioning the projects.

Mlambo-Ngcuka said the trust's programmes were being reviewed against the needs of government and there was likely to be a significant reallocation of staff within the trust.

Restructured IDT will keep headquarters in Cape Town

(297)

POLITICAL CORRESPONDENT

ARG 25/11/97

The Independent Development Trust, which will be restructured and given a new task and new board of directors, will continue to be based in Cape Town.

Newspaper advertisements today call for nominations for a new board of trustees, with a six-week deadline for submissions.

The new board will consist of eight new trustees and four of the current trustees, with a further four of the current trustees staying on for the first six months of the new board's four-year term "for the sake of continuity". Most of those on the new board are expected to come from civil society and the private sector.

The IDT, set up seven years ago by the former government as a development agency, is to be transformed into a facilitating agency by July.

The Government will also found a separate National Development Agency to fund non-governmental and civil society organisations.

Port St Francis 'not overpriced'

297

Business Day Reporter

The R350m Eastern Cape development, Port St Francis, is set to launch its next phase, Village Six, which is due for completion in 2000.

It will comprise 92 luxury apartments ranging from 50m² to 125m².

The development will also include seven penthouses of approximately 140m² each.

Port St Francis marketing manager Tracey Mills said that in the past the focus had been on providing luxury living exclusively to the wealthy. The new development would be affordable to more people.

"Village Six will offer top-of-the-range coastal property for between R5 500/m² and R7 000/m² — a rarity in the upmarket coastal property market."

BD 26/11/97

The retail sector would comprise 1 618m². There would be 596m² of restaurants, pubs and coffee bars, a 198m² yacht club and 560m² of office space.

The sector was positioned on a plaza called Squid Square, overlooking the harbour and residential components.

The emphasis for the retail sector would be on retaining a village atmosphere with a few speciality stores, delis and boutiques.

Developers expected the retail sector to be finished by December next year.

CAPE TIMES
FRIDAY, NOVEMBER 28, 19

(297)

Mystery funding for Boesak

CT 28/11/97

PRETORIA: Veteran anti-apartheid campaigner Dr Allan Boesak received R1-million from a mystery donor to pay his legal costs, the Pretoria High Court heard yesterday.

Counsel for Boesak said this amount was barely enough to cover the costs of his senior counsel.

Judge M C de Klerk yesterday reserved judgment after hearing argument on who should pay the costs of an application which Boesak brought in September against the Legal Aid Board.

The board had agreed to reinstated their financial assistance to Boesak in September.

But on October 25, a legal aid hearing revoked the funding.

Boesak is expected to bring an application before the Pretoria High Court on December 3 for the reinstatement of the funding.

The court heard that the Legal Aid Board had at first paid for Boesak's defence, but had withdrawn its financial support when he secured independent funding to hire top advocate, Mr Mike Maritz.

It was also said that Boesak approached a church organisation in America to fund his legal costs.

The identity of the donor of the R1m is a mystery. It was not disclosed in court and was not dealt with in this application.

The court heard that this amount would barely be enough to pay his senior counsel because Boesak's trial in Cape Town — expected to start in February — could last up to six months.

Boesak is facing fraud charges in the Cape Town High Court relating to the alleged misuse of donor funds from the Danish aid organisation DanChurch. — Own Correspondent

Veil of silence over Leila Patel's departure

David Greybe BD 28/11/97 (297)

CAPE TOWN — Welfare Minister Geraldine Fraser-Moleketi refused yesterday to confirm or deny reports that her director-general Leila Patel was quitting her job today.

Staff members said yesterday Fraser-Moleketi had called all 300 staff members to a meeting in Pretoria on Tuesday, where she announced that Patel would be leaving.

Welfare sources said Patel's sudden departure was because of clashes between the two after Fraser-Moleketi tried to dominate the running of the department. Depending on whom one spoke to in the department, Patel's departure was explained both as a dismissal and a resignation. The veil of silence was also attributed to sensitive talks over Patel's departure package.

Approached for comment on Tuesday last week the department confirmed Patel "is indeed leaving us". Yet Fraser-Moleketi's spokesman Brian Sokutu said it was not so.

The minister refused to confirm or deny Patel was leaving. Patel also denied she had resigned — a statement she repeated next day. Asked yesterday whether today was Patel's last working day, Fraser-Moleketi said: "The position remains the same (no comment)."

use the right line.

Leila Patel quits welfare post after 'differences'

ARG 28/11/97 (297)

Welfare director-general Leila Patel's contract has ended prematurely following differences of opinion with Welfare Minister Geraldine Fraser-Moleketi.

Ms Fraser-Moleketi confirmed in a statement today that differences had arisen between Ms Patel and herself over their respective roles.

The two had agreed in the interests of good governance that Ms Patel's contract would expire on January 7.

A spokesman for Ms Fraser-Moleketi said that today would be Ms Patel's last day at the office.

Ms Patel had dedicated herself to the proper establishment of the welfare function and putting into place an equitable social security system, Ms Fraser-Moleketi said.

"I have sincere appreciation for the commitment shown by Msr Patel," Ms Fraser-Moleketi said. – Sapa

SA's grim record of femicide exposed

Star 28/11/97 (297)

Study finds one woman is murdered every six days in Gauteng by partners or ex-partners

By Cathy Powers
High Court Reporter

South African law no longer entitles men to beat their wives for adultery or other misdemeanours but our society still lives under that patriarchal legacy.

The right to "reasonable chastisement", abolished 44 years ago (1953), gave husbands the right to hit their wives with a stick no thicker than the thumb.

Although it no longer exists, there remains a legal and social system which affords women scant protection.

A pilot study on femicide by sexual harassment education programme co-ordinator Lisa Vetten reveals a society in which domestic abuse and femicide occur with alarming frequency.

It found that one woman was murdered every six days by her partner or ex-partner in Gauteng in 1993/1994. It also found that at least 60% of women were in abusive relationships.

Vetten said it appeared that South African statistics showed figures on abuse were higher than in the rest of the world.

The country's political and social transition had increased some men's sense of insecurity, she said. In attempting to maintain control they often resorted to violence against the people closest to them – their wives.

Fatima Shaik, deputy director of the NISAA Institute for Women's Development, said abuse frequently went unreported and, when it was, often no major investigations were conducted.

She said in cases of femicide where, once again the abuse that led to it was glossed over, there was the assumption that the cause of death was accidental. "The community still denies that such a thing could happen," Shaik said.

Vetten added: "Ultimately people need to take women seriously when they express these types of fears."

Sally Shackleton, People Opposing Women Abuse (Powa) information officer, said in court a myth of provocation was propagated and often an "awful picture" was painted of the victims. The "typical" excuses were that the women provoked their husbands or boyfriends.

She said, where femicide had occurred, women obviously could not defend themselves. The court versions of events were one-sided and the abusive relationships and the ultimate acts of murder were trivialised.

Some men believe they 'own their wives'

Some perceived, in sentencing, that even less justice was done. Shackleton said judges used their individual discretion instead of looking at the enormity of the problem in South Africa.

Some prominent cases:

■ Solomon Sithole was sentenced to 11 years in prison for stabbing to death his wife, women's abuse campaigner Susan Sithole on November 25 1995. Sithole had planned to leave her husband and had returned to their flat after a previous assault to collect her belongings.

■ Trevor de Wet walked free from the Cape High Court with a R1 000 fine and a six-month suspended sentence after choking his girlfriend Veronica Uytenbogaardt to death on May 28 last year.

■ Prison warder Sandy Ramontoedi was sentenced to a mere three years' correctional service for shooting dead his wife inside the Johannesburg Magistrates' Court maintenance office in January last year. He shot Yvonne three times when she went to claim maintenance for their 2-year-old baby. There had been a history of abuse and he had threatened to kill her if she pursued the maintenance case.

■ In this week's Malcom Rae case, where Rae was acquitted on charges of murdering his wife Janet, it was reported that the court refused to accept evidence of previous assaults during the marriage because of a lack of similarity between such assaults and assault related to Janet's cause of death.

Shaik said divorce did not mean the abuse would stop. After leaving, many women were stalked and were often murdered by ex-husbands in the process.

And the perpetrators? Driven by a sense that their identities were closely tied up with having a wife, they felt threatened when their wives left.

Vetten said some men also believed they "owned" their wives, that they were their property and it was for them to decide how they should behave and what they should do."

Boesak given R1-m for defence

Star 28/11/97 (297)

PRETORIA CORRESPONDENT

Dr Allan Boesak, who faces fraud charges relating to the alleged misuse of funds from the Danish aid organisation Dan-Church, has received R1-million from a mystery donor to pay his legal costs, the Pretoria High Court heard yesterday.

Counsel for Boesak said this was barely enough to cover the costs of his senior counsel.

Mr Justice M C de Klerk yesterday reserved judgment after hearing argument on who should pay the costs of an application that Boesak brought in September against the Legal Aid Board.

Legal Aid reinstated its financial assistance to Boesak for the period September 2 to October 25. A Legal Aid hearing on October 25 revoked the funding.

Boesak is expected to bring an application before the Pretoria High Court on Wednesday for the reinstatement of the funding.

The court heard that the Legal Aid Board at first paid for Boesak's defence, but withdrew its financial support when he secured independent funding to hire top advocate Mike Maritz.

It was also said that Boesak had approached a church organisation in the US to fund his legal costs.

It is a mystery who the R1-million donor is. No name was disclosed in court and the matter was not dealt with in the application.



FINAL VERDICT: Freddie Steenkamp

Steenkamp to hear today on jail term

CT 4/11/97 (297)

JUSTICE WRITER

FREDDIE STEENKAMP, the former bookkeeper of Dr Allan Boesak's now defunct Foundation of Peace and Justice (FPJ) will know this morning whether he will go to jail following his conviction on charges of fraud and theft.

Steenkamp, 41, and Boesak were originally charged with 32 counts of theft and fraud. Their trials were separated and on October 21 Steenkamp pleaded guilty to five counts of fraud and one of theft involving R3,7 million in FPJ funds.

In a written statement to the court, Steenkamp said he was given the chance to move in Boesak's circle by doing the FPJ's bookkeeping part-time.

While working for the foundation he found out that Boesak allowed staff to take personal loans.

His request for a loan as a deposit for a car was granted and the loan was repaid in monthly instalments deducted from his salary. He subsequently got instructions "on several occasions" from Boesak and the Rev Jan de Waal, one of the FPJ trustees, to write off staff members' outstanding loans.

Steenkamp told the court that Boesak always travelled first class and that he (Steenkamp) had followed Boesak's example in spending lavishly on expensive clothes and luxury cars.

"Boesak was my hero and my idol. I believed that what Dr Boesak was doing was right. I would never have dared stand up against him."

He testified that Boesak had impressed him with his good taste in food, restaurants and wines and that copying or accompanying Boesak had "placed me on a status higher than I had ever experienced".

Envious of Boesak's lifestyle, Steenkamp gradually increased the amount he skimmed from the foundation's accounts: "I took the money when I needed it to maintain my lifestyle."

Between 1991 and 1992, Steenkamp stole R191 000 in 31 separate transactions and the following year made 37 "loans" totalling R182 000.

According to further evidence, he had helped himself to more than R500 000 in donor funds between March 1993 and March 1994.

He told the court he was deeply humiliated when Boesak publicly blamed him for the mess.

"It was more than a shock, it was tragic. I protected Boesak my entire life," he said.

"Today I am bitterly sorry."

Boesak, who is facing 32 charges of fraud and theft involving R9 million, will stand trial in February.

Freddie goes to prison

Boesak criticised as Steenkamp sentenced

(297)

ARG 4/11/97

DENNIS CAVERNELIS and LINDSAY BARNES
STAFF REPORTERS

Freddie Steenkamp, former bookkeeper of Allan Boesak's Foundation for Peace and Justice, was today sentenced in the Cape High Court to six years in prison.

Steenkamp's wife Amanda sobbed as sentence was passed and he leaned out from the dock and took her hand to comfort her before being led down to the cells.

Steenkamp's counsel Francois van Zyl did not ask for leave to appeal today.

Steenkamp was convicted last month of five charges of fraud and one theft charge involving about R3,7-million belonging to the foundation and The Children's Trust.

Steenkamp, who pleaded guilty, testified that Dr Boesak had authorised "loans" to FPJ staff from the foundation's coffers.

Steenkamp, 41, looked immaculate but his face was creased with anxiety throughout the three hours it took for Judge Rose-Innes to hand down sentence.

Referring to Allan Boesak, who will be tried in February on 32 charges of fraud and theft, the judge said he was not making any finding against Dr Boesak or anyone else.

But the judge slated Dr Boesak for approving "loans" for himself and his staff from the foundation's funds. Steenkamp had told the court he had juggled the books so the "loans" would not draw the attention of their foreign donors.

Although these "loans" were initially repaid through salary deductions, they were eventually written off.

The judge said Steenkamp had given a "dramatic" description of how he idolised Dr Boesak and wanted to live like him and be like him. Steenkamp considered Dr Boesak and the foundation "as one".

Judge Rose-Innes said Dr Boesak "was clearly not authorised to approve loans".

Steenkamp's motive was that he wanted to have a lifestyle like Dr Boesak. "This is the first case I have heard where the accumulation of assets has been offered as a mitigating factor," said the judge.

Picture, page 2

Costs prevent retrenchment of redundant public servants

BD 5/11/97

Reneé Grawitzky

THE costs of retrenching public servants, including 60 000 redundant personnel, prevented government from opting for mass retrenchments, Public Service and Administration Deputy Director-General Neva Seidman Makgetla said yesterday.

Makgetla assured delegates at the Industrial Relations Association of SA (Irasa) seminar in Midrand that the complexities facing public service restructuring and collective bargaining were much greater than those facing the private sector.

She said government would not opt for mass retrenchment in the public service as the costs of such an exercise prevented this but discussions with labour would have to take place to explore other options.

This was essential, she said, to ensure the successful restructuring of the public service to ensure service delivery. Costs of retrenchment, she said, were also preventing departments from outsourcing various functions while major institutional changes were causing problems in the public service.

University of the Witwatersrand sociology professor Eddie Webster said that in the private sector there were growing signs of acceptance by labour and business of the new labour market institutions introduced in terms of the Labour Relations Act.

Webster said this was despite a letter from an employer, publicised in the media, that the Commission for Conciliation Mediation and Arbitration (CCMA) would prove to be the "vlakplaas for industrial relations".

The CCMA and the National Economic Development and Labour Council were gaining acceptance by the parties. The CCMA, to date, had received 40 000 disputes.

The growing acceptance of the new labour relations system was further reflected in the decline in strikes, wage settlements closer to the inflation rate and longer term wage agreements, Webster said.

Total of 20 convicted for welfare fraud

BD 5/11/97

Farouk Chothia

DURBAN — A total of 20 people had been convicted since 1995 for mainly defrauding the KwaZulu-Natal government's social welfare department of about R1m, department spokesman Isabel de Klerk said yesterday.

De Klerk said that 25 other cases were before the courts, and 130 were "on hand". More prosecutions could be expected as 20 000 files of false disability grants were still being investigated, she said.

De Klerk said the 20 people who had been convicted as a result of investigations conducted by private sector forensic auditors and the SA Police Service (SAPS), included four public servants and two employees of Cash Payment Services, the company which made welfare payments on behalf of the department. The remaining 16 were ordinary citizens, who made false claims for grants, De Klerk said.

The biggest case for which a conviction had been obtained involved department employee Lethiwe Dlamini. She defrauded the department of R819 000, and was sentenced to five years and four months imprisonment last year, De Klerk said.

De Klerk said it had also come to light that public servants at the Ulundi offices were using official order books to purchase furniture for private use.



No more high life ... Freddie Steenkamp and his wife Amanda in Cape Town.

Six years for Boesak's bookkeeper

Star 5/11/97 (297)

OWN CORRESPONDENT

Cape Town – Freddie Steenkamp, disgraced bookkeeper of the now defunct Foundation for Peace and Justice (FPJ), swallowed hard yesterday when he heard he had been jailed for six years on charges of theft and fraud.

He squeezed the hand of Amanda, his second wife, as she wept and whispered to her: "It's OK," before he began his journey to jail.

A spokesman for the Department of Correctional Services said he would have to serve as least half his sentence before any chance of parole.

Steenkamp (41) had been charged with 32 counts of theft and fraud but was convicted on five counts of fraud and one of theft of R3,7-million in FPJ funds, after the state accepted his plea to those charges.

Passing sentence, Mr Justice L A Rose-Innes dealt with Steenkamp's evidence: how he had first obtained a loan from the FPJ to buy a car, which he had repaid, and how he had later obtained larger loans which had been entered into the debtors' journal and later written off on the instructions of FPJ director Dr Allan Boesak. "Written lies" were submitted to overseas donors and loans granted to FPJ staff were concealed in the trust's books as expenditure on several projects.

High amounts for salaries, loans and travelling expenses, were also concealed because donor funds would have been curtailed had the donors found this out.

In his evidence Steenkamp blamed Boesak for the manner in which he had falsified entries in the FPJ books, and gave details of how, over four years, he had stolen donor funds on 115 occasions.

Judge Rose-Innes said it was clear the loans Steenkamp referred to were not loans. "There is no such thing as a loan when you do not repay it. The accused must have known this."

Steenkamp had tried to convince himself that he had taken loans but in the end he was unable to repay the money.

This was not a mitigating factor. In the final year of his thefts Steenkamp had stolen R500 000 and motivated this by saying he realised that after the elections a new government would be in place, Boesak would occupy a government post, donor funds would dry up and he would be without a job.

He therefore stole money to buy fixed assets, including property and cars, to ensure his financial security.

Steenkamp helps with Boesak trial from his police cell

Pollsmoor will have to wait

ARG 8/11/97 (297)

GLYNNIS UNDERHILL

Jailed bookkeeper Freddie Steenkamp is being held in a Cape Town police cell for the next ten days as he helps the State prosecution team prepare for the high-profile trial of veteran anti-apartheid leader Allan Boesak.

Correctional Services spokesman Bert Slabbert confirmed Steenkamp, who was the bookkeeper at Dr Boesak's Foundation for Peace and Justice, has not been taken to Pollsmoor Prison after being sentenced this week to six years in jail.

The man who spilled the beans when foreign donors launched an investigation into financial irregularities at the funding organisation in 1995, indicated at his trial he would be willing to testify on behalf of the State. Mr Steenkamp's sentence will not be reduced as a result of his co-cooperation.

"The department was approached by the police and the Attorney General, who said they needed him," said Mr Slabbert.

An application to keep Steenkamp out of prison and in police custody would have to be repeated after ten days, said Mr Slabbert.

Steenkamp was convicted in the High Court on five charges of fraud involving R2,8-million and one charge of theft involving R906 065.

Originally, he was to be tried together with Dr Boesak on multiple charges of theft and fraud, but the trials were separated and Dr Boesak will stand trial in February.

'The department was approached by the police, who said they needed him'

The man who first brought the allegations against staff at the foundation to light, Danchurch Aid secretary-general Christian Balslev-Olesen, told Saturday Argus he would be coming to South Africa to appear as a witness in Dr Boesak's trial.

While he would therefore not be able to comment on the judicial process, Steenkamp's trial had been watched closely by the Nordic donors, he said this week.

"It is important for us to get the information on what actually happened to the money we gave to the victims of apartheid and the poorest of people in the Western Cape. We need to have a full picture of what happened," he said.

Mr Balslev-Jansen said it had always been the intention of the Nordic donors to try to recover their stolen funds.

"We are still working on it," he said.

Additional funds had been raised by Nordic donors to send to some of the specific projects which suffered when money was misappropriated.

Members the public in Denmark had needed a lot of convincing before money could be raised for South African projects, he said.

"A lot of people in Denmark ask whether the funding is going to reach the projects. There is great concern among the public and various funding organisations," said Mr Balslev-Jansen.

To regain credibility Danchurch Aid had instituted tighter bookkeeping controls, he said.

Lonely future for bookkeeper's wife

GLYNNIS UNDERHILL

As Freddie Steenkamp began his life in police custo , this week, his pregnant wife Amanda returned to work at the Parow office where he sold second-hand cars until a few days ago.

"I'm taking it day by day. I don't know when I am going to see him because I don't even know where he is being held," she said.

The former bookkeeper at Dr Boesak's Foundation for Peace and Justice (FPJ), Mr Steenkamp has been sentenced to six years in prison for theft and fraud involving the use of foreign donor funds intended for victims of apartheid.

Mrs Steenkamp, who sobbed openly after her husband was sentenced, would not be drawn on her plans for the future.

"I don't want to share my pain with everybody. I feel it's a private matter," she said.

Mrs Steenkamp said she was expecting the couple's child in May and did not know what the future held for them.

The wife who showed her devotion and withstood the stress of her husband's trial has two children from a previous marriage.

Mr Steenkamp also has two children from a previous marriage, aged 13 and 16.

The high-flying lifestyle Mr Steenkamp enjoyed before he met and married his wife three years ago altered dramatically in the years leading to his trial.

His luxury goods, including a 1992 BMW M5 valued at R200 000, were attached and auctioned.

In his days at the FPJ, Mr Steenkamp owned a skiboat and trailer and six properties.

The well-groomed bookkeeper owned two plots in Plattekloof with a value of about R400 000. All trappings of wealth had long disappeared by the time he was convicted in the High Court on five charges of fraud involving R2,8-million and one charge of theft involving R906 065.

An intensely private man, Mr Steenkamp has avoided interviews with the press.

"He never has given an interview and he says he never will," explained Mrs Steenkamp.

However, when a team of lawyers appointed by Nordic donors was appointed at the end of 1994 to look into suspected financial irregularities at the FPJ, it was Mr Steenkamp who opened the can of worms.

Without his damning statement, it is doubtful investigators would have unravelled his creative bookkeeping in the few months afforded them.

A remorseful Mr Steenkamp voluntarily admitted loaning large amounts of money from foreign funds channelled to the foundation.

Mr Steenkamp will also surely be remembered for the phrase "struggle bookkeeping", which he coined when he admitted paying out staff loans from FPJ funds.



LEON MULLER

Wife: 'I don't know when I am going to see him, I don't even know where he is being held,' says Freddie Steenkamps's wife Amanda

Most in city are 'blind' to special needs of others

(297)

CT 2/12/97

CYNTHIA VONGAI



IGNORED: Hein Wagener

MR HEIN Wagener recently walked into an obstacle and ended up with a deep cut on his forehead and concussion. You may say he should have been watching where he was going, but Wagener, 25, is blind.

A bank administrator, he is angry that Capetonians continue to completely ignore the needs of disabled people.

"A couple of months ago I also hit my head when I walked near a construction site. They had a plank which you had to duck under, and on it I was told was written "mind your head". They had just assumed that everyone could read the sign. People in Cape Town need to brush up on the way they treat disabled people. We are not invisible.

"As a person with a disability you try to be independent, but then things like (the pole accident) breaks your confidence," Wagener said.

He has been using the same route to work on the Foreshore for the past two years with the help of his guide dog, Chelsea.

Usually Chelsea would guide him around any obstacle, but on this day a new security cage had been erected around a busy cafe, and a pole extended from the cage at about head height.

Wagener said the relationship between him and Chelsea had deteriorated since the accident, as she had lost confidence, and she would probably have to be retrained by the SA Guide Dog Association.

Wagener said the accidents were symptomatic of just some of the problems faced by the disabled in the city.

He says he has to play a kind of Russian roulette with his life every day when he crosses city streets.

The buzzer on the pedestrian walkway from the station does not work. When he thinks that other people are crossing the road he follows — blindly.

When he crosses Hans Strydom Avenue he then has to do more guesswork and decide — with the help of the sound of car engines — when to cross the road.

"There are no bleepers on most of the pedestrian crossing in the city," he said.

Disabled People South Africa said it was time that businesses began to accommodate disabled people.

City buildings were not easily accessible. One was not sure wether there would be someone in the building or the lift to help them reach the correct floor.

"In Europe the lifts there have a voice that tells you what floor you are on. Here you just drift from floor to floor until you find the floor you want to be on. Many people do not even wonder about those kind of things," Wagener said.

Mr Vincent Daniels of the Cape Society for the Blind said there was a general apathy when it came to accommodating and addressing the needs of disabled people in the city.

"The visually impaired people are generally ignored and exposed to a very hostile environment. We have to convince sighted people that we have as much right as them to have the same quality of life.

"Many people don't think of what blind people go through when they want to do simple things such as board a train, get into a building and get off the correct floor, withdraw money at an ATM. These are all near impossible tasks," he said.

The City Council, however, was sympathetic, Daniels said: "They seem to be listening to our problems.

"We just hope that after losing the Olympic Bid, the work planned will not be abandoned to make Cape Town more accessible to disabled people by adhering to international standards."

CABINET APPROVES LANDMARK WHITE PAPER

CT 2/12/97

Policy to give disabled their rightful place

P/S/1/S T (297)

THE DISABLED are handicapped more by society's attitudes than by their physical difficulties, says Shuaib Chalklen — but he has devised a revolutionary strategy to change this, reports **ANDRE KOOPMAN**, Parliamentary Bureau.

ALMOST every day, a paraplegic working at Parliament drives to the parking bay reserved for the disabled, only to find it occupied by a car driven by a person who can walk. It takes him ages to get to his office — only a few minutes away for anyone not in a wheelchair.

Eventually a cleaner in the garage makes it his duty to tell the guilty party and others that the bay is used by Mr Shuaib Chalklen, director of the Office on the Status of Disabled Persons in the Deputy President's Office.

He was shot during a protest in 1976 and has been in a wheelchair since.

His wife, Ms Shanaaz Majiet, was shot and paralysed during a schools protest in the 80s. She works in the Department of Land Affairs. The couple met in hospital and it was "love at first sight", Chalklen says in a documentary produced by acclaimed American videographer Andrew Jones. However, Chalklen is reluctant to talk about his personal life.

Chalklen tries to enter Newspaper House in St George's Mall through the front entrance, but can't negotiate the steps in his wheelchair.

"The steps disable us, not the wheelchair," he says.

Disabled people are handicapped not so much by their physical limitations as by the attitudes of others.

Chalklen uses the anecdotes about his parking bay and Newspaper House to explain the import of a revolutionary policy that he has detailed in a white paper on the disabled.

The paper, adopted unanimously by the cabinet last week, is intended to de-victimise the disabled and, instead of marginalising them, create opportunities in mainstream society.

"Because labelling disabled people in what is called the welfare/medical approach has failed, the white paper says we should adopt a paradigm that respects the rights of disabled people," Chalklen says.

"The most significant component of the document is that it recognises the disempowerment and inequalities disabled people face. It says that to a large extent the disempowerment is due to the way disabled people are viewed.

"We label disabled people and we look at them as tragic victims. We give them some disability grant and send them home, never to be a member of society again."

The Integrated National Disability Strategy is a policy framework. The specific policy and legislation need to be developed, Chalklen says.

The paper says that for the model to be effective in delivering services to the disabled, of whom there are about five million, opportunities need to be created in education, employment, transport and housing.

> *'Society's attitudes have to change ... We should look rather at the ability of people.'*

In recommending how government departments can achieve these, it suggests that two percent of their jobs be reserved for the disabled. It also recommends that provisions be made in labour law for disability.

Chalklen says among the reasons why the paper is a landmark document is that it was produced in "wide and thorough consultation with disabled people, including blind, deaf, mentally disabled and all others. We own this document."

One of the major engines driving the formulation and adoption of the policy has been Disabled People SA, an organisation formed in 1983 by "incredibly angry" disabled people, Chalklen says. Ninety-eight percent of its members are in the townships and rural areas.

The document spells out that, to effect change, the disabled must be consulted at the planning stage.

"In town planning, for example, the disabled must be firmly on the agenda from the beginning."

Emphasising the importance of education, Chalklen says: "Disabled children are dumped into special schools and forever marginalised.

"Ways should be found to accommodate them in mainstream schools. There is no chance, however brilliant you are, of getting into university if you are marginalised. The nation is losing potential."

The National Commission for Special Needs in Education and Training is to submit its recommendations to the Minister of Education, Dr Sibusiso Bengu, at the end of this month about how disabled children and adults should be accommodated in education framework.

The new policy and impending legislation will go a long way in helping the disabled, but it is vital that employers' attitudes and physical working environments change, Chalklen says.

"Things like toilets that are too small and steps in front of a building are keeping people out of jobs.

"Society's attitudes have to change from the situation where the slightest disability counts against you when you apply for a job. We should look rather at the ability of people and their capacity to perform."

Legislation cannot transform attitudes, Chalklen says.

"People need to view disabled people differently — that is essential. We need to have respect for their rights and dignity and this translates into things like respecting parking facilities and accessibility to jobs."

The disabled are also working towards "micro-enterprise support for disabled entrepreneurs from the departments of trade and industry, labour and education".

South Africa is one of the few countries to enshrine the rights of the disabled in its Constitution.

In approving the Integrated National Disability Strategy, the government is adhering to the Bill of Rights that outlaws discrimination against disabled people.

Chalklen is "immensely pleased" that there has been no resistance to the policy from the cabinet. This demonstrates that the government is "committed to creating a caring society". Chalklen believes the government is intent on making this policy work.

It is significant that the government has set up an office to develop and co-ordinate legislation and policies.

It is a measure of how seriously the government views the needs of the disabled that the office devoted to them is based in one of the highest in the land.

Deputy President Thabo Mbeki is also patron of the disabled.



BREAKTHROUGH: Shuaib Chalklen, director of the Office on the Status of Disabled Persons, and Shelly Barry, Disabled People SA's parliamentary policy co-ordinator, are delighted with the white paper. *PICTURE: BENNY GOOL*

Rural poor benefit from land project

Louise Cook

297
BD 2/12/97

PRETORIA — About 1 000 people have in the past few months obtained land to lease in terms of a land affairs department-driven programme aimed at helping the very poor to supplement their incomes.

The programme provides resources for poor municipalities to obtain land to set up or extend commonages for food gardens, grazing, simple farming and ecotourism.

Land affairs director Lala Steyn said yesterday the programme was one of several land-reform projects aimed at meeting a variety of land needs in SA. "The other very important land-redistribution programme involves the R15 000 grant which government made available to households to buy land or to use to leverage further capital for land."

Most commonage projects backed by the department had been set up in Northern Cape in places such as Groblershoop, Oflifantshoek, Pofadder, Pella, Concordia and Komaggas. Other projects also existed in the Eastern Cape and the Free State.

"The department is committed to ensuring that existing commonage land is used as far as possible for land reform and will support the purchase of additional land for this purpose," Steyn said.

The legal position of each commonage would depend on the specific conditions under which the land was granted or the conditions of the title deed. Municipalities were not allowed to sell the land without the consent of the premier and had to make it available for the inhabitants of the land.

Land affairs director Geoff Budlender said this year was a year of considerable achievement by the department and that there was now legal order around land issues in rural areas.

"Redistribution, of which the commonage programme was a part, makes land available to people who need a place to live or produce what they need for a decent existence," he said.

Major headaches for NGOs facing funding squeeze

CT 3/12/97 (297)



NOT absolute death — but many more casualties at the dawning of the new century when the withdrawal of foreign funding reaches a peak. This is one of the predictions on the long-term prospects for non-governmental organisations (NGOs) and community-based organisations (CBOs), the bodies performing critical functions ranging from the promotion of social welfare to enskilling struggling communities to take control of their lives — and even to serve as watchdogs over government. YAZEED FAKIER reports.

THERE was a time, not so long ago, when South Africa was awash with overseas and local funding for the myriad of commonly unacknowledged organisations beavering away throughout the country for the greater good of society.

"You could come up with any programme and you'd get funding," one NGO source said candidly. "All you had to do was open your mouth. There would be someone somewhere in the world who would want to give you money."

Not so in the wake of South Africa's democratic elections, however. Funding has been harder to come by. There's less of it around and more to do with it.

NGOs are also expected to be more focused in their work, to pinpoint their niche programmes with almost laser-like accuracy. As a result, they have been compelled — for both positive and negative reasons — to re-examine and reposition themselves in the competitive market.

The situation has led to serious concerns among representatives of local NGOs and community-based organisations (CBO) who say there isn't an understanding of the hardships, apart from financial, that they are experiencing in facilitating the delivery of supplementary and developmental services to the nation's most troubled and impoverished communities.

Already many organisations dependent on NGO support have had to shut up shop in the wake of the 1994 elections. Significant fur d[illegible]

isations lose tax exempt status in the process. It has not, however, prevented the anomalous establishment of profit-making enterprises in the name of non-profit organisations.

Most local corporate donors, ever hungry for publicity that will ultimately translate into profits, have also managed to put an extra crease in the already furrowed NGO and CBO brow. The traditional distributors of substantial contributions to the welfare and NGO sector, corporations have now opted for direct engagement with government and the community.

"It's conducive to their image to be seen to be giving directly," says Amelia Jones, Community Chest executive director.

"They don't like the idea of giving to a pool and leaving the decision-making in the hands of organisations which aren't able to stand up in public and announce this to the world.

"Because our policy is to allocate 100% funding to services and not to marketing, we can't guarantee them a picture in the [illegible]"



be supported even more today than before the elections."

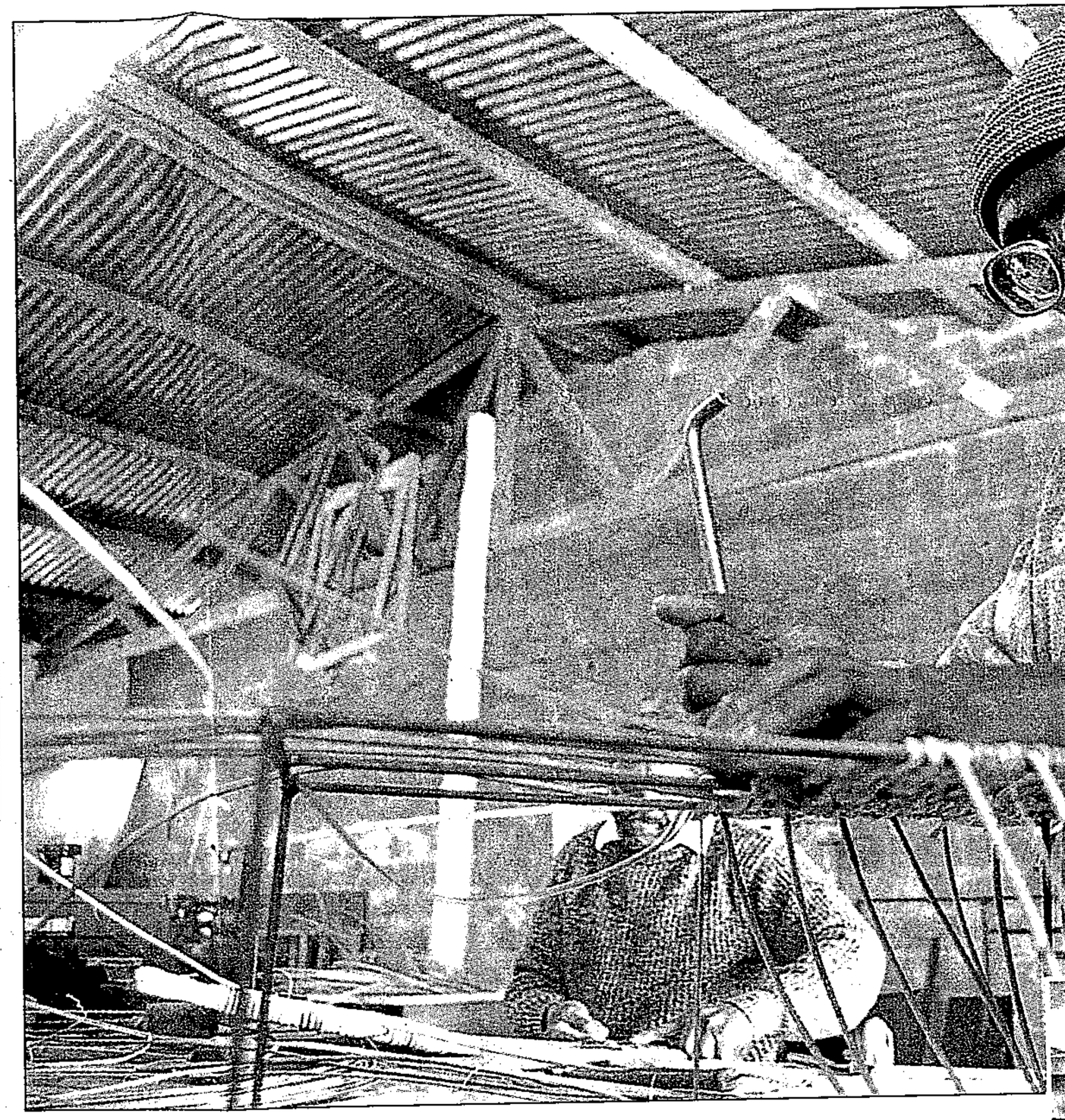
A contract signed in 1994 between the EOF and the US Agency for International Development (USAID), in terms of which the EOF acts as a conduit for the disbursement of USAID funds totalling R7 630-million to smaller organisations, comes to an end in February 1998.

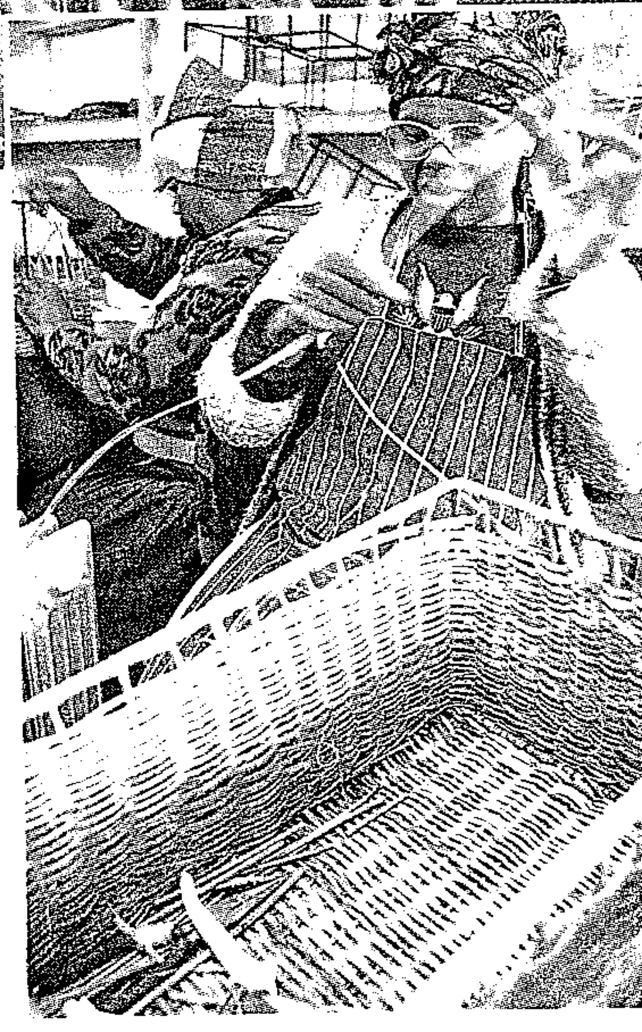
"It poses a big problem because we are struggling to replace them as a major funder. It directly impacts on the extent to which we can continue to fund smaller, rural-based projects in each of the provinces."

The difficulty lies in how to maintain the organisation's growth as well as its impact in the field. Emmett says there has been a short-sightedness among foreign donors.

"Many of them are saying that, in South Africa, we now have our democracy and they estimate that the transition will take from five to 10 years and that they are going to pull out after the 1999 elections.

"But the question is:





HANDY CRAFTWORK: Mr Alfred Damane (above) tightens the strands of a wicker basket at the Phambili (progress) Centre for the Blind at the Lingelethu West Training Centre in Khayelitsha. The centre receives funding from the Community Chest, one of the hundreds of NGOs facing increasing funding difficulties in the wake of the 1994 elections. **RIGHT:** Ms Angliena Nquphiso lashes together a wicker basket at the Phambili (progress) Centre for the Blind. *PICTURES: ALAN TAYLOR*

catering. They are also given introductory business courses to help them establish their own business.

TCC director Ria Grant commented: "The whole (TCC) operation is sort of threatened. If we carry on until the end of March next year, we're probably going to end up with a huge deficit."

At its present rate of expenditure, the TCC will be left with R23 000 in its coffers — while having an annual operational expenditure of R1-million.

In existence since 1929, theTCC has now changed its status from a committee to the Tuberculosis Care Association (TCA) in order to incorporate wider community representation and ensure continued accountability.

"I think donors should assess NGOs more closely and know which are the ones with credibility and which are not."

the down-scaling by international funders of their South African operations.

"That's one of the directions we are going to have to go to get the private sector in South Africa to start putting their hands in their pocket for what communities want rather than what they want," she says.

Hendrikz notes that her organisation was used to working with people who shared its values of empowering the rural poor, strengthening civil society and promoting social change by supporting local agencies.

"But if you look at the aspirations of the group that we work with, namely the rural poor, then you'll find that the private sector in South Africa does not share those values at all with us."

Hendrikz says that she feels, in her private capacity, that the international

Development Fund co-ordinator Deena Bosch, however, is more optimistic about NGO and big business partnerships: "The sources of money, those generating that wealth, are already organised in Cosatu and other trade unions. It brings us closer to the labour movement in an area that is not untouched virgin territory where you have to brow-beat people. That's in an

withdrawn, satisfied that, magically, all would now be well in post-apartheid South Africa, or channelled their financial largesse directly to the coffers of central government — a move many have seen and experienced to be problematic and cumbersome due to crippling red tape.

These critics, however, have been reminded that the bureaucracy is a legacy of National Party rule and that the struggle of the present government to unravel the maze and deliver support is due partly to a resistance "that's not just something that's in people's heads, but actual structures that are in place ... like huge boulders in the way".

Even the efforts of some NGOs to generate their own capital by establishing investment companies for grant-making purposes have run into snags. Under current legislation, such ventures are subject to taxation and parent organ-



TRAINEE CARPENTER: Ms Thingaza Pike chisels a chair leg to a perfect fit at the woodwork training centre of Zenzele Enterprises in Khayelitsha. *PICTURE: ALAN TAYLOR*

Crucial to the work of NGOs is the image of welfare and development that exists in the public mind and the donor community at large.

Anne Emmett, executive director of the Equal Opportunity Foundation (EOF), an NGO which receives between 1 000 and 2 000 applications countrywide for funding annually, says she is concerned about the predicament of the those in the NGO and CBO sectors.

"People need to realise that there is a difference between giving for the sake of giving and giving for the sake of developmental reasons," says Emmett. "The fact is that indigenous funding agencies such as ourselves who work in close proximity to local communities need to



CARING HANDS: The Wola Nani Women's Work Hive Centre in Site B, Khayelitsha, is one of the centres that receives funding from the Equal Opportunity Foundation (EOF). The centre focuses on micro-enterprise employment assistance for mothers with Aids and provides them with income-generating initiatives such as crocheting and knitting sunhats out of strands of plastic shopping bags (above).

'what are they actually going to do to build the capacity of indigenous funding organisations to meet ongoing development funding needs?'"

With the establishment of the government's National Development Agency (NDA), created to administer funds to NGOs and CBOs, there was at least a ray of hope, says Emmett.

"But at the same time there is the threat of foreign donors giving money solely and directly to a government agency such as the NDA. You can't put all your eggs in one basket by giving all your money to government. There has to be direct partnerships with people working on the ground as well."

It is vital that indigenous funding agencies with proven track records are afforded the resources to improve their work and, in turn, develop their own resources. Failing this, "we stare closure in the face and the more than 100 grassroots projects nationally that receive funding will lose that financial support".

At a more local level, the overnight change in the funding environment has hit the Tuberculosis Care Committee (TCC), a city-based NGO and founder member of the SA National Tuberculosis Association (Santa), particularly hard. In what he described as having been a turbulent year, chairman Dr Michael Popkiss told the AGM recently that the TCC had experienced difficulty in securing overseas funding.

"Today, most overseas funding is given directly to the government. We then have to go to government for aid and there are numerous problems following that route."

He referred to "the bureaucracy which surrounds the RDP funding process" and said it was a "great pity" that this was slowing down the expansion of some of the committee's much-needed programmes for TB sufferers and their families. The funding squeeze has already forced it to cut its food parcel service for the children of TB sufferers.

Its Directly Observed Treatment Short-course (Dots) programme, in terms of which trained personnel ensure that fully employed TB sufferers follow their treatment while at work, also may not weather the financial storm.

The Workfare for Welfare project, an empowering programme aimed at alleviating poverty as well as reducing dependency on disability grants, is in the same boat. With this programme, TB-sufferers are employed in activities such as shoe and electrical appliance repairs, leatherwork, carpentry, sewing, cooking and

Grant says of an industry presently wrestling with a battered image as one fraught with cavalier financial practices and controls.

Popkiss, chairman of the organisation for the past 10 years, noted that while there is now parity in social pensions among the different race groups, there is less money to spend overall and a lot more people among whom to spread it. Furthermore, "very much more stringent criteria are being applied, which means that state funds are very much more difficult to obtain".

"Conversely, the demands for TCA assistance and its experience have increased because of this problem in state funding," he said.

"It's a great pity that the bureaucracy which surrounds the RDP funding process is slowing down our expansion of the important Workfare for Welfare developmental model," said Popkiss. "We thought there had been great interest shown (by the RDP) but anticipated financial support for expansion has not yet come through."

NGOs operating projects such as the TCA's deserved support from national government because people from deprived communities could not be expected to undertake the task on a totally voluntary basis. Popkiss said financial incentives proved extremely important to the success of such projects. He noted that within the confines of such contraints, NGOs, together with local government, were compelled to change their focus.

"We need to become more developmental in future ... not handing out money, not handing out loaves of bread, not handing out cash grants.

"It's much better to teach somebody to earn his own income than just to shower him with charity. Donors are not going to be prepared to give money to organisations which are not developmental and that's the way that welfare organisations will have to go if they intend to survive."

But others believe the more competitive environment precipitated in the NGO sector has already sounded the death-knell for many.

Social Change Assistance Trust (Scat) director Nomsa Sondaka says she strongly believes that at the turn of the century "you are going to see many other NGOs folding".

She warns: "Those that are going to survive and those that might continue to have outside funding will have to redefine themselves radically — they'll have to be skilled and competitive and also think about going beyond the borders of South Africa."

Field co-ordinator Annemarie Hendrikz sees the co-option of NGOs by business as one result, among others, of

funding community was making what history would show to be "quite a grave error" if they withdrew at the turn of the century on the scale they have indicated they would.

"I think they will live to regret it. I think we all will. But they obviously have very wise heads of their organisations who have their reasons for telling them to withdraw," she says.

ally in big business and funding for us to use some of the wealth being created by members of the trade unions in the way that they would want us to. That kind of development will probably be good for us and I look forward to it."

Sondaka points out that it is the task of responsible NGOs to develop "a skilled civil society to be vigilant, to take up issues with the government and to

lobby".

"Through the capacity-buildi training programmes we need to op a cadre of people who are g challenge, influence and pressur ernment and call upon it to delive

While the battle for NGOs to the future will be intense, "it w absolute death ... but there will b alties".

Welfare cuts boost crime

THE new social welfare environment being mapped out by the government in the form of overhauled legislation is an especially enabling one for those communities where morale is at a low ebb, says Amelia Jones, the new head of the Community Chest.

The development of new welfare and fund-raising laws follow years of discriminatory social welfare practices, a course that Jones has been in an ideal position to track, having first qualified as a social worker 28 years ago.

Many of the obvious contradictions have survived to this day: white old age homes with superior facilities compared to communities where the elderly were left to while away their time in the open; fully resourced and serviced homes for white children compared to none for African children.

Jones also remembers it as a time when social work agencies were not allowed to work in black communities.

"During the apartheid regime, there wasn't such a thing as a black social worker," says this year's winner of St George's Cathedral Foundation's Ithemba (hope) empowerment award.

"Government at that time supported only organisations which were staffed and run by white people. The bulk of resources were with white people, because of the stipulations of the old Fundraising Act."

In addition to being grossly lopsided, the Act later introduced strong political stipulations to prevent contributions to, and fund-raising by, any anti-apartheid or outlawed political or allied organisations.

Jones notes that pending legislation like, for example, the Not For Profit Bill, will allow organisations more discretion in the disbursement of funds.

The Chest is at the moment in the process of far-reaching changes in order to make it more demographically representative and has developed a Vision 2000 programme that aims, among other goals, to position the organisation as a catalyst, linking government, business, agencies and NGOs.

Training programmes in basic single-entry accounting are already being run throughout the year for previously marginalised communities to help them meet the requirements and criteria for funding — something many were unable to do mainly because of a lack of basic bookkeeping skills.



GRAPPLING WITH CHANGE

"We want to grow social service organisations to the point where they are able to develop wings and can fly alone," Jones says.

She talks about welfare efforts having to strike a balance "between the realistic circumstances of people and the requirements of both communities and the wider public".

"People think that because there's a new government and there's all this development, that everybody's now going to get their fair share," she says. "If you look at it historically, it's going to take a long time for us to be able to say we don't need all this welfare anymore. There are people who for decades did not have any real family life and were denied the basic rights of what it means to be a normal family.

"There are still communities who don't even know that there are social workers or that there's something called child abuse.

"We have a massive backlog and all of that needs to be addressed. If people say we will not give to social services, then they must not complain about the crime rate. It's those very social services that are concentrated on creating stable



DIRECTOR: Community Chest ch Ms Amelia Jones.

families, keeping children off the s and running programmes in scho that's all crime prevention a demands a joint effort."

The downside of the envis enabling environment for more table welfare funding is that the su cuts are not allowing all the ye accumulated expertise to now be s into communities which never ha benefit of such assistance before.

According to Jones: "All tha doing is shrinking agencies an enabling them to grow their servic

But while the cuts have l paralysing effect in some areas, was understanding at least for th that this was necessary to pro equity.

NEXT WEDNESDAY: All ab the diversity train of the South Africa. Take a ride a Cape Town's four main train — Simon's Town, Welling Mitchells Plain and Khayelitsh and listen to the experienc ordinary Capetonians for w train travel is a way of life.

GRAPPLING WITH CHANGE

Model for societal transformation is basis of white paper

(297) CT 3/12/97

A SUMMARY of the white paper on integrated national disability strategy released by the office of the Deputy President:

THERE is a serious lack of reliable information about the nature and prevalence of disability in South Africa. A 1995 estimate puts disability prevalence in our society at 5% of the population.

People with disabilities are excluded from the mainstream of society and experience difficulty in accessing fundamental rights.

There is, furthermore, a strong relationship between disability and poverty. Poverty makes people more vulnerable to disability and disability reinforces and deepens poverty.

Particularly vulnerable are the traditionally disadvantaged groups in SA, including, people with severe mental disabilities, those disabled by violence and war and those with Aids.

Disability tends to be couched within a medical and welfare framework, identifying people with disabilities as ill and in need of care. Because the emphasis is on the medical needs there is a corresponding neglect of their wider social needs. This has resulted in severe isolation for people with disabilities and their families.

Over the past decade, disabled people's organisations all over the world have worked to reposition disability as a human rights issue.

The result is a social model based on the premises that if society cannot cater for people with disabilities, it is society that must change.

This model requires substantial changes to the physical environment. The goal must be the right of people with disabilities to play a full, participatory role in society.

This changing ethos has taken place within an international context which finally gave rise, in 1993, to the UN Standard Rules on the Equalisation of Opportunities for Persons with Disabilities. A key principle of disabled people's movements throughout the world, and indeed of the social model itself, is the involvement of such people in the process of transformation.

The vision of the Integrated National Disability Strategy proposed by the white paper is a society for all.

This means that there must be an integration of disability issues in all government development strategies, planning and programmes. There must be an integrated and co-ordinated management system for planning, implementation and monitoring at all levels of government.

And, to complement the process, there must be capacity-building and wide public education.

Key policy areas have been identified. These include prevention, health care, rehabilitation, public education, barrier-free access, transport, communications, data collection and research, education, employment, human resource development, social welfare and community development, social security, housing and sport and recreation.

The white paper has developed policy objectives, strategies and mechanisms for each of these areas. Recommendations highlight specific areas for action.

The rights of people with disabilities are protected by the Constitution. Government departments and state bodies have a responsibility to ensure that, in each line function, concrete steps are taken to ensure that people with disabilities are able to access the same fundamental rights and responsibilities as any other South African.

To co-ordinate this activity, the Office on the Status of Disabled Persons has been established in the Office of the Deputy President.

The Office on the Status of Disabled Persons will work together with, and parallel to, the various state bodies and departments to further the development of a disability friendly environment. It will maintain close working links with the NGO sector.

The legislative framework is crucial. There is a need to examine the need for new legislation. Existing legislation must be scrutinised and amended where necessary. Ultimately, legislation should comply with and give substance to constitutional requirements.

Finally, to ensure that legislation is effective and policy implemented, research and monitoring are essential.

Transformation must involve practical change at every level of our society.



A BETTER FUTURE: In this file picture, Deputy President Thabo Mbeki meets Ayanda, a pupil at the upgraded Vuku Zenzele special school in Bizana in the Eastern Cape, as provincial MEC for Education Nosimo Balindlele looks on.

'We must help disabled people in fulfilling their aspirations'

Message from Deputy President Thabo Mbeki:

AMONG the yardsticks by which to measure a society's respect for human rights, to evaluate the level of its maturity and its generosity of spirit, is to look at the status it accords to those members of society who are most vulnerable — disabled people, the senior citizens and its children.

Social morality is strengthened and deepened when we recognise that disabled people enjoy the same rights as we do and that we have a responsibility towards the promotion of their quality of life.

We must begin to see disabled people not as objects of pity but as capable individuals who can contribute immensely to the development of society. We must play an active role in assisting them to find joy and happiness and the fulfilment of their aspirations.

Through the establishment of the Office on the Status of Disabled Persons, in my office, we wish to express our government's unswerving commitment to the upliftment and improvement of the conditions of those members of our society who are disabled.

Research estimates that between 5% and 12% of South Africans are moderate to severely disabled. Despite this large percentage of disabled people, few services and opportunities exist for people with disabilities to participate equally in society.

'We must begin to see disabled people as capable individuals who can contribute immensely.'

Throughout the world disabled people are organising themselves to engage society on the question of their fundamental rights. The United Nations has issued two documents dealing with the concerns of people with disabilities: the UN Standard Rules for the Equalisation of Opportunities for Persons with Disabilities and the World Programme of Action Concerning Disabled Persons.

Both documents emphasise the rights of people with disabilities and call for extensive changes in the environment to accommodate their diverse needs in society. The emphasis is on a fundamental shift in how we view disabled people, away from the individual medical perspective, to the human rights and development of disabled people. As a government we endorse these principles.

This white paper represents the government's thinking about what it can contribute to the development of disabled people and to the promotion and protection of their rights. We believe in a partnership with disabled people and that the furtherance of our joint objectives can only be met by the involvement of people with disabilities themselves.

This document is therefore the product of an intensive and thorough process of consultation with all the relevant organisations of and for disabled people.

We believe that this white paper reflects the aspirations of many disabled people in our country. But this is not the end of the process.

The Integrated National Disability Strategy will kick-start a further process involving disabled people in the development of specific policies and legislation aimed at giving effect to the recommendations contained in the white paper.

Finally, may we take this opportunity to thank the many individuals and organisations who have contributed to the development of this white paper.

Your contributions will prove to be invaluable to the process of translating the recommendations into real progress for our nation.

TM Mbeki

Programme for a special day

TODAY is the International Day of the Disabled. Deputy President Thabo Mbeki, patron of the disabled, has released the white paper on the Integrated National Disability Strategy.

The Cape Times, in conjunction with the deputy president's office, presents a breakdown of the white paper as well as messages of support for the occasion.

This is the programme:

Date: December 3, 1997

Venue: Pilditch Stadium

MC Maria Rantho MP

9am: People taking seats. Background music

9.15 — 9.30: Drum majorettes: Tlamoko Primary School escorting the MC

9.30 — 10: Opening: Moment of silence. National anthems, Benny Palme, All Saints Blind Choir. MC remarks. Release of balloons.

10 — 10.10: Introduction of guests

10.10 — 10.25: Item: Zodwa Special School

10.30 — 10.45: Guest speaker: Dr William Rowland

10.50 — 11.05: Item: Mamelodi Thusanang Association for the Blind

11.10 — 11.25: Overview: Prospectus Novus School

11.30 — 11.45: Item: St Dominican Special School

11.50 — 12.05pm: Item: Filadelfia School, New Hope School

12.10 — 12:40: Deputy President Thabo Mbeki. Speech launching of white paper on Integrated National Disability Strategy

12.45 — 12.55: Vote of thanks: Ms Pearl Makutoane, Mr Shuaib Chalklen



Ameets Ayanda, a pupil at the upgraded Vuku Zenzele special school in Bizana in the Eastern Cape, as provincial MEC for Education

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Standard Rules show way to full integration

(297)

THE United Nations General Assembly, in 1993 at its 48th session, adopted the UN Standard Rules for the Equalisation of Opportunities for Disabled Persons. CT 3/12/97

At the same time December 3 was declared the International Day of Disabled Persons.

For decades disabled people have suffered through society's lack of provision for their wider social needs. Emphasis was placed on labelling and meeting their minimum welfare needs at the expense of their dignity and self-respect.

The UN Standard Rules provide governments with guidelines to redress the discrimination disabled people encounter — in awareness-raising, medical care, rehabilitation, accessibility, education, employment, social security, culture, and recreation and sport.

The objective is to ensure that disabled people are fully integrated into the mainstream of society and have equal opportunities for full participation and fulfilment.

December 3 is also a day of national reflection on the situation of disabled people in society.

Non-disabled people will come to realise:

- It is the steps that lead into a building that handicap a disabled person and not the wheelchair.
- More consultative methods of planning will result in a more humane society.
- Fundamental human rights are universal and should apply not only between government and citizens but among citizens as well.
- The fundamental human rights of disabled people are flouted daily.
- Disabled people would rather work than be passive recipients of charity and welfare and would be proud to pay taxes.
- Respect for our rich diversity and consequent equalisation of opportunities would enrich our country morally, economically, and politically.

However, much has been achieved since the government began consulting disabled people.

The most significant achievement has been the adoption of the white paper on an Integrated National Disability Strategy by the cabinet on November 19 this year.

The adoption of the white paper gives disabled people reason to celebrate because it signifies the recognition by government of their most basic social needs.

Let us also as a nation use this day to broaden our vision of the rainbow nation to include all disabled people and let all of us celebrate together the victories gained thus far.

'Milestone' on way to full recognition

CT 3/12/97 (297)

Statement from the South African Federal Council on Disability:

THE launch of the white paper on the Integrated National Disability Strategy provides disabled people in South Africa with the most significant milestone on the long road to equity, opportunity and empowerment.

This commitment from our new democratic government is the final affirmation that our new society is prepared to address the process of meaningfully integrating disabled people into all spheres of South African life.

This white paper will provide disabled people with a firm mandate to take up the opportunities offered by government, which will ultimately bring functional equity and dignity to their lives.

Disabled people in our country have waited for over three decades for the level of commitment inherent in the white paper.

Tribute must be paid to the many individual disabled persons and organisations of disabled people who have committed substantial time and resources to reach this significant turning point.

Recognition must also be afforded to our new democratic government, which identified the importance of addressing the needs and aspirations of this significant sector of our society.

The personal commitment made by the Deputy President, Thabo Mbeki, is deeply respected by the disability sector and we would like to record our sincere appreciation to the Honourable Deputy President.

While the inclusion of disabled people in various tiers of government has provided the primary foundation for the development of the Integrated National Disability Strategy, the role of disabled people in the spectrum of government still requires development.

The recommendations and commitments made in the white paper will, however, entail a paradigm shift from the previous welfare-based provision, to an equity-based independence.

This should ultimately relieve our society of the costs of the disempowering, charity mentality, which has left disabled people with a legacy of low self-esteem and poor quality of life.

The formal recognition of the South African Federal Council on Disability as the representative structure of the disability sector provides it with both a mandate and substantial responsibility to meet the aspirations and day-to-day needs of the individual South African disabled person.

The white paper recognises the dynamic relationship between government and civil society.

This is fundamental to the implementation of the recommendations in the white paper.

We look forward to nurturing this relationship to achieve our ultimate goal — the development of an enabling environment which provides a meaningful improvement to the lives of the individual disabled person.

We call on all disabled people to unite and celebrate the International Day of the Disabled today, in support of the implementation of the white paper and urge them to take up the challenge of maximising their potential and quality of life.

Philip Thompson
Chairperson

'Progress, but much still to be done'

CT 3/12/97 (297)

A message from Disabled People SA:

SA has a proud history of struggle against injustice and human rights abuse. An important component of the liberation struggle in SA has always been the struggle of people with disabilities to be recognised as equal citizens, irrespective of race, gender, abilities, class or language.

Our new democratic government has achieved unprecedented progress in redressing the inequities faced by people with disabilities in the past. A highlight of this progress is the launch of the white paper on an Integrated National Disability Strategy today, a day recognised as the International Day of Disabled Persons.

The Integrated National Disability Strategy is a means of breaking down the socio-economic, political and attitudinal barriers which people with disabilities face. The government has hereby committed itself to providing a better life for people with disabilities. And this is but an extension of a commitment which was already clearly established in the run-up to the 1994 elections. Disabled People SA, the national umbrella body of disability organisations, hereby salutes the government for the advance it has made for people with disabilities, evident in:

- The promotion of the rights of disabled people in the Constitution.
- The inclusion of DPSA-nominated candidates in the ANC election list in the 1994 election.
- The appointment of disabled candidates, as a result of ANC support, to the Youth, Gender and Human Rights Commission, as well as structures such as the boards of the SABC, Satour, NTSIKA etc, as well as the National Training Board.
- The establishment of the Office on the Status of Disabled People in the Office of the Deputy President and pending provincial disability desks, the first of which is operating in Mpumalanga;
- The acceptance of the status of Patron of DPSA by Deputy President Mr Thabo Mbeki.

However, we have to acknowledge that radical transformation is a gradual process and that the impact of policies have to make themselves felt in the lives of people with disabilities at all levels of our society. Let us use this day to celebrate the long-sought recognition of human rights which has formed the basis of the disability movement in our country. Let us continue to nurture a culture of respect for all and celebrate diversity in our country. And finally, to the Deputy President, Mr Thabo Mbeki, patron of Disabled People SA, on behalf of our organisation, I salute you for your continuing support and belief in the empowerment of people with disabilities. The struggle for the full emancipation of people with disabilities has just begun.

Maria Rantho
Chairperson

Reliable information, presently lacking, needed to properly tackle problem facing an estimated 1 in 20 South Africans

(297) Star 3/12/97

There is a serious lack of reliable information about the nature and prevalence of disability in SA. Estimates in 1995 put disability prevalence in our society at 5% of the population.

People with disabilities are excluded from the mainstream of society and experience difficulty in accessing fundamental rights. There is, furthermore, a strong relationship between disability and poverty.

Poverty makes people more vulnerable to disability and disability, in turn, reinforces and deepens poverty.

Particularly vulnerable are the traditionally disadvantaged groups including, additionally, people with mental disabilities, people disabled by violence or war and those with Aids.

Disability tends to be couched within a medical and welfare framework, identifying people with disabilities as ill, different from their non-disabled peers, and needing care.

Because the emphasis is on their medical needs, there is a corresponding neglect of their wider social needs.

This has resulted in severe isolation for people with disabilities and their families.

Over the past decade, disabled people's organisations all over the world have worked to reposition disability as a human rights issue.

The result is a social model for disability based on the premise that, if society cannot cater for people with disabilities, it is society that must change.

The goal must be the right of people with disabilities to play a full, participatory role in society. This changing ethos has taken place within an international context which finally gave rise, in 1993, to the UN Standard Rules on the Equalisation of Opportunities for Persons with Disabilities.

A key principle of disabled people's movements throughout the world, and indeed of the social model itself, is the involvement of people with disabilities in the process of transformation.

The vision of the Integrated National Disability Strategy proposed by the white paper is a society for all.

This means that there must be an integration of disability issues in all government development strategies, planning and programmes.

There must be an integrated and co-ordinated management system for planning, implementation and monitoring at all levels of government.

And, to complement the process, there must be capacity building and wide public education. Key policy areas have been identified.

These include prevention, health care, rehabilitation, public education, barrier free access, transport, communications, data collection and research, education, employment, human resource development, social welfare and community development, social security, housing and sport and recreation.

The white paper has developed policy objectives, strategies and mechanisms for each of these areas. Where necessary, different components have been identified.

Recommendations highlight specific areas for action.

The rights of people with disabilities are protected by the Constitution. Government departments and state bodies have a responsibility to ensure that, in each line function, concrete steps are taken to ensure that people with disabilities are able to access the same fundamental rights and responsibilities as any other South African.

To coordinate this activity, the Office on the Status of Disabled Persons has been established in the Office of the Deputy President.

The Office on the Status of Disabled Persons will work together with, and parallel to, the various state bodies and departments in order to further the development of a disability friendly environment. It will maintain close working links with the NGO sector.

The legislative framework is crucial. There is a need to examine the need for new legislation. Existing legislation must be scrutinised and amended where necessary.

Ultimately, legislation should comply with and give substance to constitutional requirements.

Finally, in order to ensure that legislation is effective and policy implemented, research and monitoring are essential. Transformation must involve practical change at every level of our society.

tional Court, an infrastructure which stress the physiological

ernment

Consultation with those involved is vital before laws are passed

(297) Star 3/12/97

A whole new mindset is needed to change attitudes towards a group which has been discriminated against in many ways

OWN CORRESPONDENT

The situation faced by people with disabilities in South Africa is characterised by extreme levels of inequality and discrimination.

Social, economic and political barriers interact to create conditions of underdevelopment, marginalisation and unequal access to many resources enjoyed by the rest of the population.

One of the central factors which has contributed to these conditions is the failure of our society to recognise the rights of disabled people as being equal to those of able-bodied people.

Moreover, policies and practices adopted by the apartheid government served not only to ignore these rights, but also to set up and maintain mechanisms which contributed to further abuse and discrimination.

With the advent of democracy in our country, the introduction of the Bill of Rights, the establishment of the Human Rights Commission and the authority of the Constitutional Court, an infrastructure has been created to address past inequalities and to ensure that the rights of all people, including disabled people, are protected.

As the key mechanism to protect and promote human rights in SA, the Human Rights Commission has a responsibility to ensure that previously marginalised groups are not discriminated against.

To do this, it is necessary for the commission to develop a clear understanding of the specific ways in which the rights of such groups have been, and continue to be, violated, and to implement measures designed to remove factors responsible for continued discrimination.

It is imperative that the commission play a central role in facilitating the implementation of positive measures designed to increase access by previously marginalised groups to the rights contained in the Constitution. This policy, therefore, provides a framework which outlines the key areas of concern for people with disabilities and thus the key areas of focus for the commission.

It provides policy guidelines to address those concerns and specifies the role which the commission needs to play in ensuring access by people with disabilities, to all basic human rights.

Extremely inadequate and inappropriate definitions of disability used in the past have not only resulted in a limited understanding of disability, but have also contributed to the inequalities and discrimination faced by disabled people.

Previous definitions have been limited to medical models

Earlier definitions were not very helpful

which stress the physiological differences between the disabled and other people.

Such definitions have failed to recognise the nature of the individual's interaction with society and the diversity of the human condition.

The UN Standard Rules on the Equalisation of Opportunities for People with Disabilities, which incorporates the WHO's definitions as they appear in the World Programme of Action Concerning Disabled Persons, defines disability in the following simple way – disabled people and organisations providing services to people with disabilities.

It is particularly important that the process begins with consultations with people and organisations from deaf and blind communities. It may examine the nature and extent of the barriers and possible strategies for their removal. It is also imperative that the relevant government departments are included in the process.

The commission will set up mechanisms to monitor human rights abuses against people with disabilities and the effectiveness of strategies adopted to eradicate these. It will be necessary for the commission to allow feedback through consultation with disabled people and their organisations. The commission will develop and implement an appropriate education programme with a focus on disability rights.

Such a programme should be designed to raise public awareness, challenge existing stereotypes, remove negative perceptions and equip members of the public and government officials with the skills necessary to deal with disability issues.

In order to effectively implement these, a commissioner shall take specific responsibility for disability issues and will actively participate in, and liaise with, the national collaborative disability structure set up and maintained by the government and the non-governmental disability sector.

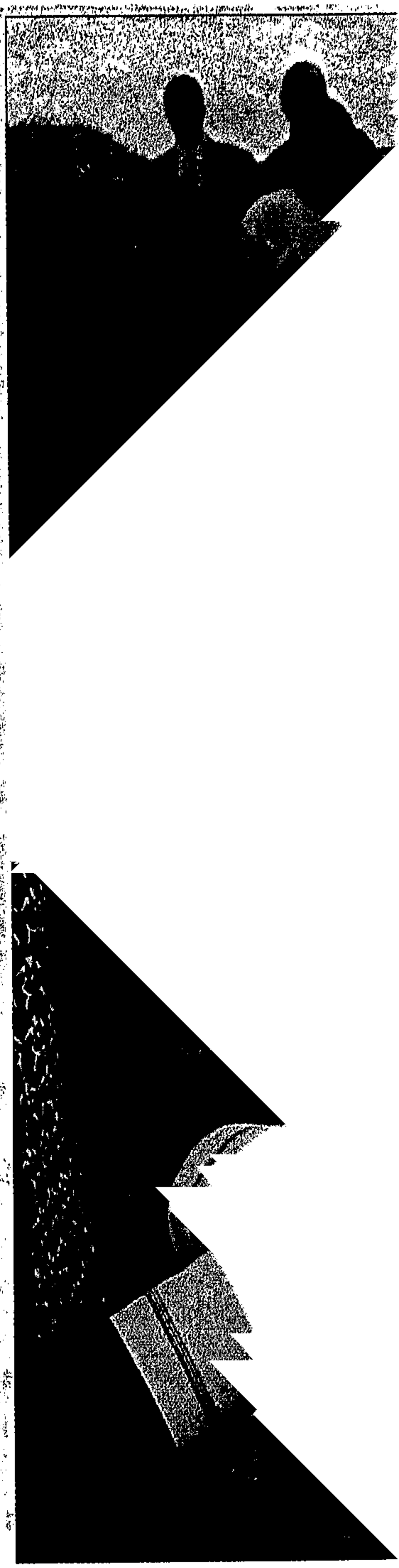
In February 1996, the Government published its green paper on an Integrated National Disability Strategy.

The Disability Desk in the office of the Deputy President recently completed extensive consultation on the green paper through public hearings with disabled people and people working in the area.

The desk is presently developing a white paper on disability to be published soon.

The commission will carefully review the contents of the white paper and develop strategies for intervention based on an understanding of it and the extent to which it will contribute to realising the rights of people with disabilities.

The commission should be instrumental in monitoring the implementation of commitments made in the white paper.



It's time to reach out ... Deputy President Thabo Mbe vulnerable members – disabled people, the elderly an abled people enjoy the same rights as other people.

A blueprint to develop and protect

Star 3/12/97 (297)

A message from Deputy President Thabo Mbeki, patron of Disabled People SA

Among the yardsticks by which to measure a society's respect for human rights, to evaluate the level of its maturity and its generosity of spirit, is looking at the status that it accords to those members of society who are most vulnerable – disabled people, the senior citizens and its children.

Social morality is strengthened and deepened when we recognise that disabled people enjoy the same rights as we do and that we have a responsibility towards the promotion of their quality of life.

We must begin to see disabled people not as objects of pity but as capable individuals who can contribute immensely to the development of society. We must play an active role in assisting them to find joy and happiness and the fulfilment of their aspirations.

Through the establishment of the Office on the Status of Disabled Persons, in my office, we wish to express our Government's unswerving commitment to the upliftment and improvement of the conditions of those members of our society who are disabled.

Research estimates that between 5% and 12% of South Africans are moderately to severely disabled. Despite this large percentage of disabled people, few services and opportunities exist for people with disabilities to participate equally in society.

Throughout the world disabled people are organising themselves to engage society on the question of their fundamental rights.

The UN has issued two documents dealing with the concerns of people with disabilities: the UN Standard Rules for the Equalisation of Opportunities for Persons with Disabilities and the World Programme of Action Concerning Disabled Persons.

Both documents emphasise the rights of people with disabilities and calls for extensive changes in the environment to accommodate their diverse needs in society. The emphasis is on a fundamental shift in how we view disabled people, away from the individual medical perspective, to the human rights and development of disabled people.

As a government we endorse these principles. Today is the International Day of Disabled Persons. It is therefore appropriate that on this day we launch the white paper on Integrated National Disability Strategy.

This white paper represents the Government's thinking about what it can contribute to the development of disabled people and to the promotion and protection of their rights. We believe in a partnership with disabled people and that the furtherance of our joint objectives can only be met by the involvement of people with disabilities themselves.

We believe that this paper reflects the aspirations of many disabled people in our country. But this is not the end of the process.

The strategy will kickstart a further process involving disabled people in the development of specific policies and legislation aimed at giving effect to the recommendations contained in the paper. Finally, we want to thank the many individuals and organisations who have contributed to the development of this paper. Your contributions will prove invaluable to the process of translating the recommendations into real progress for our nation..

Programme of events

Date: Today
Venue: Pilditch stadium, Pretoria
Programme MC: Maria Rantho MP
9am: People taking seats.
9:15-9:30: Drum Majorettes: Tiamoko Primary School escorting the MC
9:30-10:00: Opening: Moment of Silence. National anthems. Benny Palime, All Saints Blind Choir. Release of balloons.
10:00-10:10: Introduction of guests
10:10-10:25: Zodwa Special School
10:30-10:45: Guest speaker: Dr William Rowland
10:50-11:05: Mamelodi Thusanang Association for the Blind
11:10-11:25: Overview: Prospectus Novus School
11:30-11:45: St Dominican Special School
11:50-12:05: Filadelfia School and New Hope School
12:10-12:40: Deputy President Thabo Mbeki. Launching of white paper on Integrated National Disability Strategy
12:45-12:55: Vote of thanks – Pearl Makutoane, Shuaib Chaulklen

Struggle for full emancipation of people with disabilities in South Africa has just begun

Star 3/12/97 (297)

A message from Maria Rantho, MP, chairperson of Disabled People SA

South Africa has a proud history of struggle against injustice and human rights abuse.

An important component of the liberation struggle in South Africa has always been the struggle of people with disabilities to be recognised as equal citizens irrespective of race, gender, abilities, class or language.

Our new democratic Government has achieved unprecedented progress in redressing the inequalities faced by people with disabilities in the past.

A highlight of this progress is the launch of the white paper on an Integrated National Disability Strategy (INDS) today, a day recognised as the International Day of Disabled Persons.

The INDS is a means of breaking down the socio-economic, political and attitudinal barriers which people with disabilities face.

The Government has hereby committed itself to providing a better life for people with disabilities.

And this is but an extension of a commitment which was already clearly established in the run-up to the 1994 general elections.

Disabled People SA (DPSA), the national umbrella body of disability organisations, salutes the Government for the advances it has made for people with disabilities, which is evident in:

We salute the Govt for its progress

- The promotion of the rights of disabled people in the constitution.
- The inclusion of DPSA nominated candidates in the ANC election list in the 1994 election.
- The appointment of disabled candidates as a result of ANC support to the Youth, Gender and Human Rights Commissions, as well as structures such as on the boards of the SABC, Satour, Ntsika, and the National Training Board.
- The establishment of the Office on the Status of Disabled People in the deputy president's office and pending provincial disability desks, the first of which is operating in Mpumalanga.
- The acceptance of the status of Patron of DPSA by Deputy President Thabo Mbeki.

However, we have to acknowledge that radical transformation is a gradual process and that the impact of policies have to make themselves felt in the lives of people with disabilities at all levels of our society.

Let us use today to celebrate the long sought-after recognition of human rights which has formed the basis of the disability movement in South Africa.

Let us continue to nurture a culture of respect for all and celebrate diversity in our country.

And finally, to the Patron of DPSA, Thabo Mbeki, on behalf of our organisation I salute you for your continuing support and belief in the empowerment of people with disabilities.

The struggle for the full emancipation of people with disabilities has just begun.

Disabled have rights

Sowetan 3/12/97 (297)

By Charity Bhengu

TODAY is the International Day of the Disabled and the day will be used to raise awareness in the public of the needs of disabled people for their full integration into society.

Deputy president Thabo Mbeki will mark the day with the launch of the White Paper on Disability at the Pilditch Stadium in Pretoria.

Gauteng MEC for health Mr Amos Masondo said an integrated approach to disability would challenge the health department to raise the level of contribution.

"A strong case will be made today for disability to be recognised as a human rights issue. It is also certain that no sector of society will be allowed to escape its responsibility for assisting disabled people to take their place in the mainstream of national life," he said.

This year's national theme is Access to Appropriate Information and Technology.

The Department of Health said ingenious technological solutions were available to extend the range of activities of people with disabilities. But it added that for the poor, the solutions were as remote as planet Mars.

Boesak may lose R1m fee donation

PRETORIA — The undisclosed donor who had promised R1m for a senior advocate for former African National Congress Western Cape leader Allan Boesak has threatened to withdraw the funding unless the rest of his costs are covered by legal aid, the Pretoria High Court heard yesterday.

Boesak yesterday applied for an urgent court order to set aside a recent decision by the Legal Aid Board to terminate his legal aid. The board indicated that Boesak no longer qualified as an indigent for the purposes of assistance in terms of the Legal Aid Act.

M Maritz, SC, for Boesak, said his client had a constitutional right to legal aid. He said the R1m was promised under the conditions that the donor remain anonymous, that the money be used only to pay for senior counsel; and that the rest of Boesak's costs be paid for by legal aid.

It was argued that R1m would not cover the costs of a senior advocate for Boesak's trial on fraud charges of about R9m, starting in the Cape Town High Court in February. The board had spent R340 000 preparing for the trial, before it withdrew its funding.

Freddie Steenkamp, former bookkeeper of the Foundation for Peace and Justice, founded by Boesak, was sentenced to six years in jail on charges of fraud and theft of more than R3m.

The application continues. — Sapa.

(297) BD 3/12/97

PUBHOLD

PUBHOLD
(Registration No. 86/00785/06)

INTERIM RESULTS FOR 6 MONTHS ENDED 31 AUGUST 1997

PUBLICO HOLDINGS LIMITED

BALANCE SHEET

	31 August 1997 Unaudited	28 February 1997 Audited
CAPITAL EMPLOYED	R 000	R 000
Share capital	417	414
Share premium	1 889	1 848
Non-distributable reserve	1 111	1 111
Accumulated loss	(31)	(31)
	3 386	3 342
EMPLOYMENT OF CAPITAL		

Boesak must pay for court application

BD 4/12/97 (297)

PRETORIA — Many patients could be kept alive and many hungry children fed with the more than R600 000 Allan Boesak wanted the taxpayer to pay for his defence, a Pretoria High Court judge said yesterday.

Judge MC de Klerk made the remark when he ordered Boesak, former African National Congress Western Cape leader, to pay the costs of his High Court application launched in September against the Legal Aid Board. He said it would be "unconscionable to pay for a Rolls-Royce of a defence" for a person accused of theft, who had R1m at his disposal.

He believed no injustice would probably result if senior counsel was not briefed to appear on behalf of Boesak.

Boesak's trial on charges of fraud and theft involving the alleged misuse of funds donated by Danish aid group Danchurch for victims of apartheid is expected to start in the Cape High Court in February.

"People die because there is no money to pay for their dialysis or other medical treatment and children are suffering because they have no food or schooling. There are many other causes crying out for assistance from the meagre resources in the state coffers and there are hundreds of thousands of indigent accused who are dependent on the Legal Aid Board," De Klerk said.

De Klerk was asked to rule on the costs of an application Boesak brought in September on the basis that the Legal Aid Board had not given him a chance to state his case when it decided to withdraw funding for his defence. The case was settled out of court when the board agreed to allow Boesak to put his case before it. That agreement was made an order of court, but costs was reserved at the time.

The board then renewed its decision to withdraw funding as it believed Boesak no longer qualified as an "indigent" in terms of the Legal Aid Act, as he had managed to obtain R1m from a secret donor to pay for a senior advocate.

This week Boesak brought a new urgent application before Judge BR Southwood to set aside the board's latest ruling, saying it was his constitutional right to get legal aid. — Sapa.

...Thursday December 4 1997

Star 4/12/97

Boesak must pay court costs

(297)

"It would be unconscionable to pay for a Rolls-Royce of a defence for a person accused of theft and who has R1-million at his disposal," a judge said yesterday before ordering former ANC Western Cape leader Allan Boesak to pay the costs of a previous court application.

Mr Justice M C de Klerk ordered yesterday in the Pretoria High Court that Boesak must pay the costs of an application brought by him in September against the Legal Aid Board.

This followed an application by Boesak to have legal aid reinstated to pay for his trial in the Cape Town High Court, which is expected to start in February.

Legal aid was briefly reinstated for the period September 2 to October 25. A legal aid hearing in October revoked this funding.

Boesak this week again asked for the funding to be reinstated. The court heard that the R1-million donation to pay for his senior counsel would be withdrawn if the Legal Aid Board did not pay for the rest of his legal team.

Mr Justice Brian Southwood is expected to give judgment in this application at the end of the week.

Judge de Klerk said yesterday it was totally unjustifiable for an accused who obtained R1-million for his defence, and who could afford a senior counsel to appear before the court in a matter concerning costs only, to ask taxpayers to make a contribution to his defence.

"I may mention that the estimate of what the taxpayers' contribution would be, according to Dr Boesak's papers, amounts to R636 850. Many hungry children can be fed on that amount." – Pretoria Correspondent

White Paper offers disabled a normal life

11/12/97 (B) M+G 5-11/12/97 (297)

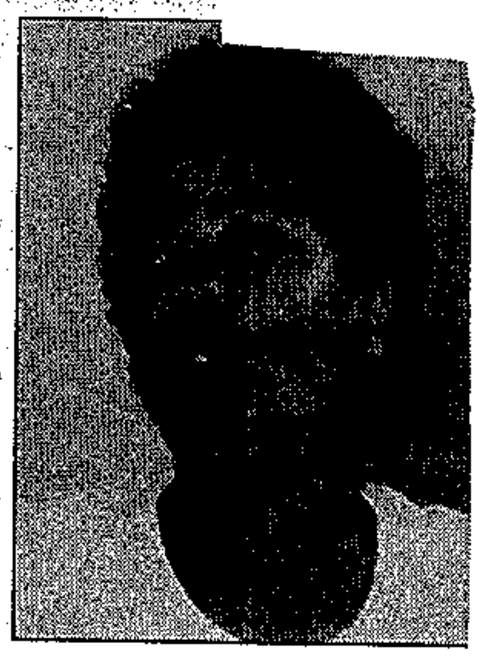
Lizeka Mda

If there were still "Whites Only" signs in South Africa, most people would be outraged. Yet practically the whole physical environment in the country says "Able-bodied only" as it deliberately shuts out a fair percentage of the population.

Disabled South Africans are denied a full life because they have minimal access to education, employment, housing, political life and involvement in the community. Research estimates the numbers of severely disabled people at 5% of the population, about two million people. Moderately disabled people increase this figure to 12%.

That is why the White Paper on an Integrated National Disability Strategy has been greeted with such jubilation. It aims to break socioeconomic, political and attitudinal barriers people with disabilities face.

Masebina Kgabale may not understand the intricacies of the paper, but she "just knows" it is going to make a world of difference to her life.



Masebina Kgabale

Kgabale currently works as a switchboard operator at the Self Help Association for Physically Disabled People (Shap) in Soweto. Shap employs 130 people who manufacture the bright clothes worn by traffic officers, make cleaning detergents, and repair electrical goods. They also package industrial goods and service mailing contracts for institutions.

When Kgabale started at Shap in October 1994, it was the first-ever job for the then 39-year-old. She loves her it, and treasures the years she has spent at Shap.

"I have learnt so much here," she says. "I have grown as a person. When I arrived I was very reserved and kept to myself. Bro Friday [Mavuso, the late chair of Shap] taught me to go for what I want, and to see past disabilities. Now I'm the kind of person who starts conversations with strangers at the busstop."

Even public transport is denied to disabled people. Taxi drivers habitually refuse to stop for disabled people in wheelchairs. They cannot tolerate the slight delay that loading the person entails. Some drivers charge disabled people double because of the wheelchair.

Car manufacturers disregard disabled drivers completely, and cars for disabled drivers have to be adapted at extra cost.

Kgabale left her home in Kroonstad in search of work opportunities in Johannesburg. Even though she enjoys her work at Shap, it's not what she would like to do for the rest of her life. She thinks her secretarial qualifications should be opening doors for her, but in the past those doors have been shut, just because she is wheelchair-bound after a bout of polio.

But Kgabale considers herself one of the lucky few. She not only works in an environment that is friendly to disabled persons, she lives in one too.

Home for Kgabale is the Soweto Cheshire Home for disabled people in Moroka. All residents contribute 75% of their government disability grant of R470 towards running the home. The home's management committee is made up of volunteers from the Soweto community, members of the South African National Civic Organisation and residents.

Her chances of finding a better job should improve with the recommendations in the White Paper. It is suggested that the government should reserve at least 2% of its positions for disabled people, and that labour legislation should make provisions for disability. The paper also recommends that R3-million be allocated each year to public awareness and anti-bias training programmes.

Because disabled people live largely isolated lives, there is general ignorance about their issues, and this feeds negative attitudes.

Disabled South Africans are particularly pleased with the White Paper because it was drawn up with their participation.

Its chief architect is Shuaib Chalken, himself a paraplegic, who works as the director of the office on the status of disabled persons, in the office of the deputy president.

"The thing that makes us live in hope," says Tsietsi Louw, Shap's chair, "is that at last we have a government that is committed to the human rights of all. We have representatives in Parliament, and space is created in every forum for our participation."

Louw is a part-time youth commissioner and Shap has a representative in the Telecommunications Task Team.

"Telkom has been putting up phone booths all over the township, yet none are accessible to disabled people."

But Louw is upbeat because the government's very public support for an integrated holistic approach — Thabo Mbeki is the official patron of Disabled People South Africa — seems to be contagious.

"Putco is willing to make buses accessible. So are the metropolitan councils. We are in discussions with Metro for the train service to be accessible too."

As for all those who continue to exclude disabled people, he can't wait for the Act to be passed.

"We'll take them to court!"

State aims to empower the disabled

CT(MR) 5/12/97

MPHO MANTJIU

Johannesburg — The government could reduce the R3 billion it spends annually on disability grants if capacity programmes proposed in the White Paper on Integrated National Disability Strategy, launched this week, were implemented.

About 500 000 people receive disability grants, and the department of welfare has proposed programmes that were aimed at creating economic self-sufficiency among the disabled. (296)

Geraldine Fraser-Moleketi, the minister of welfare and population development, said the plan was in line with government's focus on job creation through small, medium and micro enterprises, which would empower disabled people and help them to get into the mainstream of the economy.

"It is a priority within this department to develop the capacity of disabled people to enhance their optimal independence at all levels," she said. (297)

The department said it would release a community-based rehabilitation guidance document next year on mechanisms for the economic empowerment of people with disabilities. It said the United Nations had set 22 standard rules to enhance equal opportunities for persons with disabilities.

Fraser-Moleketi said that she "endorses the white paper and calls on all employers not to discriminate against people with disabilities".

Row brews over EU aid package for MPs

CT(BR) 5/12/97 (Comp) (297)

LYNDA LOXTON
PARLIAMENTARY CORRESPONDENT

Cape Town — A row is brewing between parliament and the European Union (EU) over affirmative action tenders and whether or not MPs should have laptop computers, even though these would cost up to three times more than ordinary desktop computers, officials said yesterday.

Frene Ginwala, the speaker of the national assembly, told parliament's budget committee there were "serious problems" with the EU's R85 million programme for support services for members of parliament.

She said the EU was, despite earlier reassurances to the contrary, now refusing to include affirmative action as part of the evaluation criteria used to consider tenders for the supply of computer equipment for members of parliament.

"They are also disputing whether the national assembly requires the particular type of equipment it has requested," she said.

The 400 members of the national assembly want laptops rather than desktop computers because they would be able to take them home and to their constituencies to do work when parliament was not in session.



PROBLEMS *Parliamentary speaker Frene Ginwala*

A computer expert agreed that this made sense, but said laptops cost about three times as much as ordinary computers. Also, because the aim was to enable MPs to network with each other and other legislatures, expensive docking stations would also be needed, which would further raise costs. He said the computer bill could shoot up to about R9 million compared with the R3 million for ordinary computers.

He was also sceptical about the affirmative action element of the row and whether there were any black firms that could meet the order, whatever it was, without having to form a consortium, which could also complicate things.

Parliament, EU disagree on aid criteria

BD 5/2/97 (297)

CAPE TOWN — Parliament and the European Union (EU) were in dispute over criteria laid down for EU aid to the institution, National Assembly Speaker Frene Ginwala said in a statement yesterday.

The EU was refusing to include affirmative action in the evaluation criteria for the supply of computer equipment to MPs, and was also disputing whether the National Assembly required the type of equipment it had requested, it said.

Ginwala had raised the matter at the highest level with the EU, but had received no response.

A meeting of Parliament's programme steering committee, scheduled for today, has been postponed to Monday. Ginwala had informed Parliament's budget committee yesterday that there were serious problems with the EU over the parliamentary support programme. —Sapa.

Huge social spending boost

Trevor Manuel unveils his three-year plan

ARG 6/12/97 (297)

ALIDE DASNOIS
BUSINESS EDITOR

Spending on education, health and welfare services is to grow by R20,4 billion over the next three years, according to Government expenditure disclosed by Minister of Finance Trevor Manuel.

The Government's three-year Medium Term Expenditure Framework (MTEF), revealed by Mr Manuel at a briefing in Gauteng, is the product of months of work by Department of Finance officials.

The plan is an attempt to cost the Government's spending priorities for the next three years so that the annual budget is not just a numbers game but a tool for policy.

Pressure on national and provincial budgets is likely to grow rather than decrease over the next three years.



But because of Mr Manuel's twin commitment to limiting the tax burden on the country as a whole and to cutting the budget deficit, his room for manoeuvre on the spending side is restricted.

Projected economic growth rates of 3%, 4% and 5% over the next three years, assuming tax as a proportion of

economic conditions in each province and is based on the need to redirect spending towards the poorest areas.

Elements taken into account are the number of schoolgoing children as a proportion of the number of children of schoolgoing age; the number of people who cannot afford private healthcare; the number of people entitled to social security grants; the size of the rural population; and the size of the province's gross geographic product.

The money is granted unconditionally to each province in terms of the constitution: each gets an envelope of funds which can be spent according to the province's own priorities.

Applying this formula and taking into account new information in the 1996 census will take the Western Cape's share of the money available for the provinces from 10% this year to 9,6% in the 2000-2001 financial year. Provinces whose share will increase are the Eastern Cape, KwaZulu Natal, Gauteng and Mpumalanga.

In addition, provinces will be eligible for conditional grants, for instance, to help fund hospitals used by more than one



But because of Mr Manuel's twin commitment to limiting the tax burden on the country as a whole and to cutting the budget deficit, his room for manoeuvre on the spending side is restricted.

Projected economic growth rates of 3%, 4% and 5% over the next three years, assuming tax as a proportion of Gross Domestic Product to be maintained at about 25%, give estimates of revenue available over the planning period. From this, the Government has sliced off three items: the cost of servicing the country's national debt (about 20% of the annual budget at the moment); a small amount to be paid in contributions to international institutions; and a reserve.

The reserve, set to grow from R5-billion next year to R10-billion in the 2000-2001 budget, is set aside to cushion the effects of unforeseen circumstances such as lower-than-expected economic growth or natural disasters.

Only then can what is left – R144,7-billion this year, rising to R182,7-billion in the year 2000-2001 – be divided between the different levels of government and between the nine provinces.

The plan presented by Mr Manuel this week sees the share of the provinces climbing from R77,4-billion this year to R98,1-billion in three years, when nearly 54% of the country's spending is expected to go through the provincial budgets.

Next comes the tricky issue of dividing the provinces' share between the nine provinces. The formula adopted by the Government takes into account population and



Planning ahead: Trevor Manuel maps out medium-term priorities

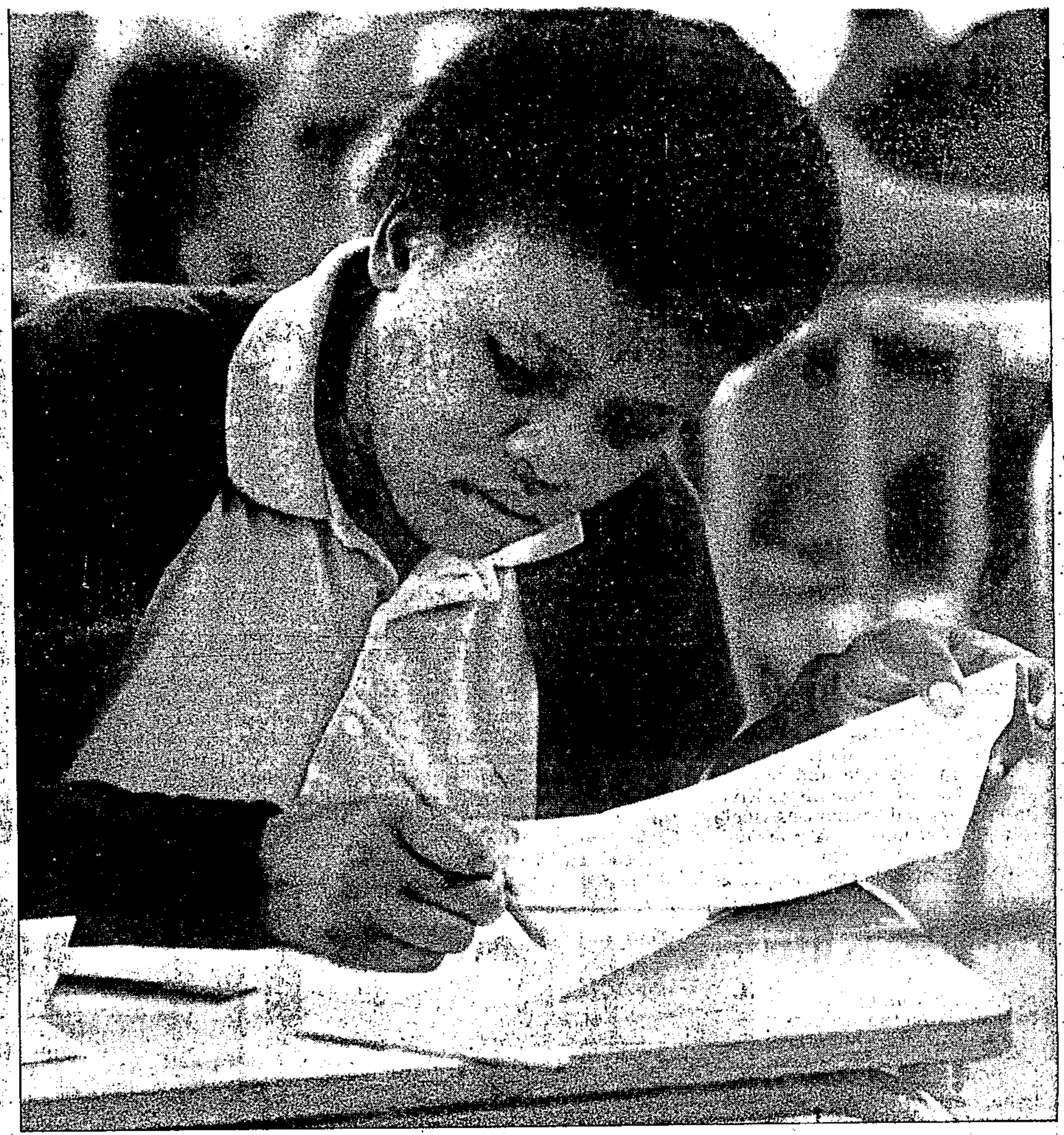
the provinces from 10% this year to 9,6% in the 2000-2001 financial year. Provinces whose share will increase are the Eastern Cape, KwaZulu Natal, Gauteng and Mpumalanga.

In addition, provinces will be eligible for conditional grants, for instance, to help fund hospitals used by more than one province, to fund the peace initiative in KwaZulu Natal or to help fund the primary school nutrition programme. The Government is also considering conditional grants for capital spending on schools and hospitals.

Each province has already submitted estimates of spending needs for the next three years to the Department of Finance and based on these, the total amount to be spent on education will climb from R38,6-billion in the current budget to R49,8-billion in three year; the money spent on health will increase from R20,1-billion to R24,9-billion and the money spent on welfare will jump from R16-billion to R20,7-billion. Low priorities such as defence are to be cut back.

The three-year budgeting timeframe is intended to make it easier for national departments and provinces to plan spending more carefully, focusing on high-priority needs and cutting waste.

But at the same time Mr Manuel has warned that neither the economy nor the public sector has the funds available to meet all the pressing demands of reconstruction and development. Resources must be targeted more effectively towards the poor and, increasingly, those who can afford to pay for services will be expected to do so.



Investing in the future: the Government hopes to be spending over R10-billion more on education in three years' time

'Only half' EU aid package will be spent

BD 8/12/97 (297)

Tim Cohen

LONDON — Only about half of the EU's 125-million ecu aid package to SA would be spent this year, Democratic Party leader Tony Leon said after visiting the EU's Brussels headquarters.

Leon said he learned this after talks with EU commissioner Joao de Deus Pinheiro. It was a huge improvement on the previous year, when only 30-million ecus of the 125-million ecu budget had been spent.

This spectacular shortfall indicated that the problem in SA was not one of resources but of management, he said.

This was partly because the portfolio at SA's EU embassy in Brussels designated for a health and science line function representative had been vacant for nine months. Leon said this was the responsibility of Health Minister Nkosazana Zuma, who had "declined to make an appointment".

However, EU officials had assured him the aid package was likely to continue longer than the initial five-year period of operation as SA's poverty problems were unlikely to be solved within this time.

British Council's scheme launched

Sowetan · 9/12/97 (~~STAFF~~) (297)

By Shadrack Mashalaba

THE British Council of South Africa launched the second phase of the British Investment Scheme in South Africa last week as part of its development aid programme.

The launch of Pre-Pre-Investment Feasibility Studies (Pre-Pifs) follows the success of Phase 1 which led to an investment of R50 million by British companies in South Africa.

The aim of the scheme is to encourage additional investment in South Africa by British companies through joint ventures or the establishment of subsidiary companies.

The scheme also provide grants to small and medium sized enterprises (SMMEs) in South Africa and Britain to carry out market analysis, feasibility studies and training support.

Wide range

The Pre-Pifs programme started in 1995 and covers a vast sector of SMMEs ranging from manufacturing, small-scale mining and service-related industries.

The programme consisted of a small initial grant to allow British or South African companies to explore potential partnership opportunities.

South African companies are also eligible to apply for these grants.

The eligible grant for South African companies covers 50 percent of costs.

Companies that are eligible to apply are those registered in South Africa for more than two years with audited accounts.

The scheme does not cover non-governmental organisations.

Welfare Department to suspend more than 38 000 grants

Star 10/12/97 (297)

BY PRISCILLA SINGH

More than 38 000 people will no longer receive maintenance and temporary disability grants from next month as the Department of Welfare attempts to clean up the social security system.

According to the department this will save about R12-million a month.

It will affect more than 20 000 children over the age of 18 whose parents or foster parents received a maintenance or foster child grant, or children older than 21 who are enrolled full-time in a tertiary institution.

The other category, in which there are 17 465 lapsed temporary disability grants, affects beneficiaries in the provinces of Gauteng, Mpumalanga, North West and the Eastern Cape.

Part of the process of cleaning up social security

The remaining provinces are still investigating the suspension of grants, allocated for three to 12 months, which have expired.

According to welfare spokesman Este Lohrentz, the suspensions formed part of the department's ongoing process of cleaning up the social security system after the amalgamation of 14 different systems inherited from the apartheid era.

She said the 38 000 beneficiaries no longer qualified for grants under the new Social Assistance Act, which obliges the department to remove any beneficiary who no longer fulfilled the strict requirements of the grant.

In terms of the new legislation, maintenance and foster child grants will in future be automatically removed from the system at the end of the year in which the child turns 18, unless proof was submitted to the department that the child was still attending school.

"Parents or foster parents must also report the death of any child who receives a maintenance grant because we are not informed by Home Affairs.

"The legal period for some of these beneficiaries expired a long time ago and many cases were supposed to be suspended last year.

"If there are any mistakes in the suspension, and somebody was removed by mistake, then they have three months to re-instate themselves or re-apply for the grant," Lohrentz said.

Johannesburg Child Welfare spokesman Jackie Loffell said the organisation agreed with the removal of those people who no longer qualified for grants.

"This relieves some of the pressure on the department to cater for those who desperately need the grants," Loffell said.

■ The Gauteng department of welfare is appealing to pensioners in the Dobsonville, Soweto, area who did not receive their pensions last month to go to the Krugersdorp service office or call the social security office on (011) 355-7600.

Charities feel pinch as donations dry up

Star 10/12/97 (297)

Hard-pressed community is being more selective and less generous, resulting in most organisations getting trickle, rather than hoped-for flood of desperately needed cash

By Bunty West

Charities have launched a major appeal for funds following dwindling donations as the nation tightens it belt.

If cash doesn't start flowing into the coffers of Gauteng's charitable associations immediately, there will be no money to help the thousands of desperate people and animals needing assistance over Christmas.

Donations to charities are so slow this year that many will not be able to meet demands for help over the holiday season. Christmas, normally a time when charities make special appeals to the public, has not brought in the expected funds.

Reliant on contributions from the general public, fundraisers are complaining that both companies and public are tightening their charity belts, by either selecting only one organisation to send funds to, or cutting down on the amount donated.

Johannesburg Society for the Blind is in such dire straits that it is likely to close down in the new year if an immediate injection of funds is not received.

"We have already closed several of the smaller branches and if we don't get donations the Johannesburg branch will close. We provide an essential service to the aged in homes and those living in hostels, all of whom barely exist on their pensions. If we have to pull out because of a lack of funds, who will help them?" asked Marius Claassen, the society's general manager.

Johannesburg Child Welfare assistant director Celia Theart said the society has been hit by an inept postal system which was not delivering letters to donors.

> **"If we pull out, then who will help them?"**

"Our R12-million budget has not been increased for the past four years and this has meant that services have been cut back. Only R4-million is received annually from state subsidies, the rest we must find ourselves," Theart said.

At the Deaf Federation fundraising letters were sent out late this year according to Nel von Lieres, the information officer. "Money has started trickling in but at this stage we cannot judge if we are going to pull in the funds we need," she said.

Sheila Cooper, the assistant director of the Association for the Physically Disabled was not optimistic about the Christmas appeal.

"We normally target companies at Christmas, but many will only respond at the end of the financial year. Last year we had a R500 000 deficit. Companies are more selective over the charities they give money to," Cooper said.

SPCA National Council spokesman Barbara Nash said that donations were "well down" on previous years as the public was spending less on donations. The national body needs over R1-million annually to run its side of the the organisation while each of the 105 autonomous SPCAs countrywide collect their own funds.

"We have two large appeals each year, one a letter and the other through a competition. This year's competition will be drawn on December 15 and we hope to make R100 000 from it, but at the moment we do not know how ticket sales are going," said Nash.

John Kekana the head of The Star's social investment department says the various fundraising programmes which the newspaper runs are also feeling the pinch.

"The Christmas Hamper Fund is needing a major cash boost to provide food parcels," Kekana said. There were also still many bulbs available on the Tree of Light.

New development agency takes shape

BD 12/12/97 (297)

Shareen Singh

THE process of setting up the National Development Agency, government's grant-financing body for the nongovernmental sector, has reached an advanced stage, and the agency is expected to become fully operational next July.

The Transitional National Development Trust, the interim body involved in establishing the agency, said its directors would be appointed by March and they would be responsible for the final stages of setting up the agency.

Trust GM Paul Jackson said the trust had already started working on an application to the European Union (EU) for R240m for the agency for two years. Government was expected to inject R95m into the agency for the first year and increase that figure the following year.

The agency would fall under the office of Deputy President Thabo Mbeki and be financed by central government and donor agencies. Its board would consist of six government representatives and nine from the public sector.

In initial discussions on the formation of the agency, government had proposed that it handle all donor financing for nongovernmental organisations (NGOs). This was changed later to ensure that the bilateral relationships that NGOs may have with individual donor agencies continue and that the new agency would be an additional source of revenue.

The trust was established by government as an interim measure to ensure the NGO sector did not face a funding crisis before the development agency was set up.

Jackson said the trust had committed 87% of the R120m of the funds it acquired from government and the EU and had been instructed by Deputy Trade and Industry Minister Phumzile Mlambo Ngcuka to apply for another tranche of funds. This was to avoid a funding crisis in the NGO sector while the transition from the trust to the agency was effected.

In a radio interview this week, EU ambassador Erwan Fouére said SA was not using NGOs adequately. He said SA had a strong public sector which could play an important part in the implementation of projects.

PAC's blueprint to end poverty

CT 15/12/97 (297)

DURBAN: The Pan Africanist Congress has proposed several measures which it believes could be implemented by government to eradicate poverty in South Africa.

PAC chief whip Ms Patricia de Lille said yesterday at the party's annual conference at the University of Durban-Westville that a percentage of income taxes could be channelled into a special development fund to assist the poor.

De Lille suggested five percent of taxes could be redistributed for development needs.

"Part of what we are already paying in taxes should be put aside," De Lille said. The government should also consider reducing the number of foreign missions, the PAC said.

Another suggestion was that some ministries, like the Public Enterprises Ministry, be removed and that others be merged to reduce costs. The number of commissions should also be reviewed and some of them closed down or be incorporated into other commissions, the PAC said.

Travel expenses and cellphone accounts should be more closely monitored, De Lille said.

She added that these proposals had been presented to the government in March, but that the government had not yet acknowledged receipt of them.

During the conference, delegates affirmed their overwhelming support for De Lille, who had been suspended for 15 working days of the new parliamentary session.

She was suspended for asking the African National Congress to confirm perceptions that some ANC leaders had spied for the former government.

The PAC said De Lille's suspension was a blatant violation of her constitutional rights, her freedom of speech and her parliamentary privilege.

De Lille was considering taking legal action against Parliament through the Constitutional Court.

PAC president Dr Stanley Mogoba said delegates at the conference had felt a resurgence of the party. He was confident the PAC would perform well, if not win the 1999 election.

De Lille said the PAC was the only organisation, given its history and policies, that posed a real threat to the ANC.

She said for the PAC to grow it was necessary to take an independent stance from the ANC.

"We need not be confrontational, but more questioning and challenging," she added. — Sapa

Last chance to apply for maintenance grants

(299)

New system aims to reach rural areas

8/12/97

ARG 18/12/97

JENNY VIALL
HEALTH REPORTER

Today is the last day for new applications for the state maintenance grant which is to be phased out over the next three years.

The new child support grant, which will replace the state maintenance grant, will come into effect early next year.

The Welfare Laws Amendment Act will be gazetted tomorrow, introducing the new system, which will eventually reach about 3 million poor children younger than seven.

The child support grant is for poor households in rural areas and forms part of the Government's package of poverty alleviation programmes, which seek to support the poor in a sustainable way.

For many people, the state's maintenance grants are the first line of defence against poverty and malnutrition.

An estimated 14,3 million children younger than 15 live in poverty, only about 350 000 of whom get maintenance grants.

In the past, administrative barriers and lack of information have severely restricted access to the grants.

The state maintenance grant is being replaced because it reached few children in the poorer provinces.

It was also seen as unaffordable and unsustainable to extend the state maintenance grant at current levels to all who qualified.

The new child support grant will pay primary-care givers R100 a month for each child under seven, if they meet the conditions of a means test.

The projected cost at maturity of the programme is R4-billion a year.

The present maintenance system gives a parent an allowance of R430 (which falls away under the new system) and a child allowance of R135 for up to two children younger than 18.

State maintenance grants will be phased out over three years by reducing the grant paid to beneficiaries by 25% a year.

This will start next year at the same time as child support grants are introduced.

No new applications for state maintenance grants will be accepted after the close of business today.

Applications received by this time will be processed in the normal way.

Processing applications for child support grants and the phased reduction of state maintenance grants will start after regulations are published early next year.

Boesak told to disclose donor's identity

BD 18/12/97 (297)

Stephané Bothma

PRETORIA — Allan Boesak had to disclose details to the Legal Aid Board about the US donor who supplied R1m for part of his defence on fraud charges, before the board could make an informed decision about assisting him financially, the Pretoria High Court ruled yesterday.

Ordering the Legal Aid Board to reconsider its decision to terminate financial assistance to Boesak, Judge Brian Southwood said the board was entitled to a full disclosure of the facts.

The board decided earlier to terminate legal aid to Boesak without hearing details about the secret deal which specifies that the R1m was meant "only for a senior advocate". The donor insisted on remaining anonymous.

Boesak, formerly the African National Congress Western Cape leader and in charge of the Foundation for Peace and Justice, is facing 32 counts of fraud relating to millions of rand donated to the foundation by Danchurch Aid, a Danish organisation.

The legal aid was withdrawn after it came to light that Boesak obtained R1m to pay a senior advocate. The board's decision was challenged by Boesak in the Pretoria High Court.

The initial aid was based on the costs of a junior advocate with at least 10 years' experience at R3 000 a trial day and R300 an hour for preparation.

The board also agreed to pay for auditors to assist Boesak. It pointed out that the average expenditure by it for legal representation was R1 719 a case while it had already paid Boesak's attorneys R340 426 in fees since legal aid was granted on March 4 this year.

Southwood said: "The conditions (set by the donor) appear to be carefully worked out to ensure that the state must pay for a large part of Boesak's defence. If it refuses to pay anything, then there will be no legal representation at all and consequently a violation of Boesak's rights to a fair trial in terms of the constitution."

Lawyers for the board argued it was not for Boesak to say to the board that

Continued on Page 2

Boesak

(297)

BD 18/12/97

Continued from Page 1

it should provide finances for basic legal services while Boesak would provide finances for legal luxuries.

Southwood said: "The application is concerned with the validity of the decision taken" at a Legal Aid Board meeting. "Boesak has the right to a decision which is justifiable in relation to the reasons given (by the board)."

He said he shared the scepticism that "the conditions are not genuine", but they might prove to be.

"It is clear what the board requires (to make a decision) and what Boesak must do to allay the suspicion that the conditions have been contrived to manipulate the system."

CAPE TIMES
FRIDAY, DECEMBER 19, 1997

SEQUESTRATION ORDER ON ESTATE

Director allegedly stole R3,1million

(297)

CT 19/12/97

IN THE interests of his creditors, the estate of a man accused of theft should be sequestrated, the Cape High Court has heard. Justice Writer **RONALD MORRIS** reports.



THE financial director of the South African arm of an international non-governmental organisation is in custody after the Cape High Court heard that he allegedly stole R3,1 million in overseas donor funds earmarked for 70 NGOs.

This emerged after the World University Service South Africa (WUS-SA) obtained a provisional sequestration order of the estate of Mr Thompson Vuyisile Msweli — a former uMkhonto weSizwe intelligence officer — before Mr Justice S Desai on Wednesday evening.

The court was told that Msweli had bought two service stations, a house in Durbanville worth almost R500 000, a 1997 BMW cabriolet, a 1997 Honda Ballade and several other motor vehicles.

Evidence was also that he had several insurance policies which would pay out R16m on maturity, and various endowment policies.

Msweli, who allegedly started stealing when he took over the financial director's portfolio at WUS-SA in 1995, diverted the money to his personal bank account, the court heard.

His alleged dishonesty was uncovered while he was absent from work and it became necessary to carry out a reconciliation of the funds distributed to organisations.

Before the sequestration application was brought, deputy attorney-general of the Cape Mr Percy Sonn made legal history when he used the recently introduced Proceeds of Crime Act for the first time to freeze Msweli's assets.

In papers, Ms Phuti Tsukudu, a trustee of the WUS-SA, said Mr Barend Petersen, an accountant with Nkonki Sizwe Ntsaluba, was appointed as curator bonis of Msweli's estate after his arrest on December 10.

Given Msweli's dishonesty and theft it was in the interests of his creditors that his estate be sequestrated and placed in the hands of a trustee, the court was told.

The WUS-SA believed he would try to conceal or dispose of those assets not subject to Petersen's curatorship.

Msweli is in the process of applying for bail, which is being opposed by the state.

In a report by KPMG Forensic and Investigative Accounting, the court was told, the WUS-SA distributed its funding using an electronic banking system called Beltel.

The Beltel system required the individuals responsible for banking on behalf of an organisation to be completely trustworthy since they were effectively given the same authority as an individual with a signed, blank-cheque book, the court heard.

Beltel issued the user with a secret code which enabled anyone who knew it to transfer funds whenever they wished.

This responsibility was handed to Msweli in 1995 and "it will be noted that he began making transfers to his personal bank account almost immediately," the court was told.

Evidence was that these thefts were not discovered by WUS-SA's auditors, KMMT Brey

The Standard Bank provided KPMG with a computer printout of the WUS-SA account titled, "Account Payment Beneficiary Details". This printout identified beneficiaries (and their bank account numbers) who had received funding since WUS-SA began using Beltel.

This information was then sorted by bank account number. The process revealed that in some cases the same number was shared by more than one project. Because this was irregular, it focused attention on the bank account with the largest number of projects assigned to it — an account held at FNB, Parow — Msweli's personal bank account.

KPMG had discovered that more than R3,1m was transferred via Beltel from WUS-SA's bank account to Msweli's bank account.

"We cannot say with certainty that the amount misappropriated does not exceed this," KPMG said.

Petersen, a chartered accountant and court-appointed curator bonis, said he had interviewed Msweli at the Athlone police station cells on December 14.

Petersen said that after investigations he had discovered that Msweli had misled him and had failed to disclose his true financial position.

He said he had gained access to all Msweli's personal information kept on a computer.

The information indicated that Msweli's net assets amounted to over R2m.

His liabilities exceeded his assets by R1,6m.

Msweli has until January 21, 1998 to give reasons why a final sequestration order should not be granted.

Mr Hilton Gischen of Mallincs Inc appeared for WUS-SA.

Arrest over missing donor fund millions

Suspect bought service stations, cars and house worth about R500 000

Star 19/12/97 (297)

OWN CORRESPONDENT
Cape Town

The financial director of the South African arm of an international non-governmental organisation is in custody after he allegedly stole R3,1-million in overseas donor funds earmarked for 70 NGOs, the Cape High Court was told yesterday.

This emerged after the World University Service South Africa (WUS-SA) obtained a provisional sequestration order on the estate of Thompson Vuyisile Msweli, a former Umkhonto weSizwe intelligence officer, before Mr Justice S Desai on Wednesday.

The court was told that Msweli had bought two service stations, a house in Durbanville worth almost R500 000, a 1997 BMW cabriolet, a 1997 Honda Ballade and several other motor vehicles.

Evidence was also given that he had several insurance policies, which on maturity would pay out R16-million, as well as various endowment policies.

Msweli allegedly started stealing when he took over the portfolio in 1995, and diverted the money to his personal bank account.

His alleged dishonesty was uncovered when he was absent from work and it became necessary to carry out a reconciliation of the distribution of funds to recipient organisations.

Before the sequestration application was brought, Deputy Attorney-General of the Cape, Percy Sonn, made legal history when he used the recently introduced Proceeds of Crime Act for the first time to freeze Msweli's assets.

In papers, Phuti Tsukudu, a trustee of the WUS-SA, said that after Msweli's arrest on December 10, Barend Petersen, an accountant with Nkonki Sizwe Ntsaluba, was appointed as *curator bonis* of his estate.

Msweli is in the process of applying for bail, which is being opposed by the State.

In a report by KPMG Forensic and Investigative Accounting, the court was told that WUS-SA distributes its funding using an electronic banking system called Beltel.

Using the Beltel system requires that the individual given the task of banking electronically for any organisation is fully trusted, since they are in effect given the same authority as an individual with a signed blank chequebook.

Beltel issues the user with a secret code that should not be given to anyone without authority, and once that authority is given, this code would enable the user to transfer funds as and when required.

In 1995 this responsibility was handed to Msweli, and "it will be noted that Msweli began making transfers to his personal bank account almost immediately", the court was told.

So far, KPMG has discovered that more than R3,1-million has been transferred via Beltel from WUS-SA's bank account to Msweli's bank account.

"We cannot say with certainty that the amount misappropriated does not possibly exceed this amount," KPMG said.

Msweli, a former Umkhonto weSizwe intelligence officer, has until January 21 to give reasons why a final sequestration order should not be granted.

Boesak funding battle goes on as Legal Aid Board told to reconsider

ARG 19/12/1987 (297)

ARGUS CORRESPONDENT

Pretoria – The continuing court battle for funds to pay for Allan Boesak's defence in his upcoming fraud and theft trial in the Cape Town High Court, was yesterday referred back to the Legal Aid Board for reconsideration.

Judge Brian Southwood ordered that the decision by the Legal Aid Board to terminate legal aid to Dr Boesak be set aside and that the board reconsider the matter.

Dr Boesak's attorney, Chris Petty, said the decision meant the legal aid his client had received before it was revoked, was back pending a decision by the board. This follows an application in the Pretoria High Court by Dr Boesak to reinstate the legal aid previously granted to him.

The court heard during the application that the Legal Aid Board had paid for Dr Boesak's defence at first, but withdrew its financial support when Dr Boesak secured independent funding to hire a senior advocate.

Dr Boesak, who is living in the US, will appear in the Cape High Court on February 16. The charges against him relate to the alleged theft and fraud of funds belonging to the Foundation for Peace and Justice. The money was donated by the Danish aid organisation DanChurch.

The former Western Cape ANC leader was advised by his legal team that because of the complexity of the issues and the volume of the documentation involved, a senior counsel was necessary to lead the team.

Dr Boesak approached a church organisation in America to obtain funds to pay for his senior counsel. He received a R1-million donation from a secret donor, on condition the money be used only for his senior counsel and not for any other legal fees. The board withdrew funding after it found Dr Boesak had obtained the money.

Judge Southwood said Dr Boesak must have the opportunity to satisfy the Legal Aid Board that he is in fact at the mercy of the donor, because of the conditions which the donor imposed.

This relates to the donor threatening to withdraw the donation if the Legal Aid Board did not pay for the rest of the team. The board was also ordered to pay costs.

Theft of donor funds claimed

CT 19/12/97 (297)

RONALD MORRIS
JUSTICE WRITER

THE finance director of the South African arm of an international NGO established to improve education, training and development is in custody after allegedly stealing R3,1 million in donor funds earmarked for 70 NGOs, the High Court was told.

This emerged when the World University Service South Africa (WUS-SA) sought the provisional sequestration of the estate of ex-MK intelligence officer Mr Thompson Vuyisile Msweli before Mr Justice Siraj Desai on Wednesday evening.

The court was told Msweli had bought two service stations, a house worth almost R500 000, a 1997 BMW Cabriolet, a 1997 Honda Ballade and other cars. He also had insurance policies that would pay out R16m.

Msweli allegedly started stealing when he took over the portfolio in 1995 and diverted the money to his personal bank account. This was discovered when other people took over his work while he was absent without leave.

Deputy attorney-general Mr Percy Sonn made legal history when he used the recently legislated Proceeds of Crime Act to freeze Msweli's assets.

● See Page 3

R3,1-m theft puts donor funding to SA in jeopardy (297)

Charity official's estate frozen as authorities try to trace missing money

Star 23/12/97

OWN CORRESPONDENT AND STAFF REPORTERS
Cape Town

Donor funding estimated to be about R450-million a year and vital to disadvantaged communities could be lost to South Africa.

This follows the theft of R3,1-million, allegedly by the financial manager of a non-governmental organisation (NGO) that receives the bulk of its funding from the Swedish International Development Agency (Sida).

This warning was sounded last night by Phuti Tsukudu, chairman of the World University Service, South Africa, which obtained a provisional sequestration order on the estate of Thompson Vuyisile Msweli on Wednesday.

Sida was also central to another scandal involving Dr Allan Boesak, the director of the now defunct Foundation for Peace and Justice, in which he is accused of deceiving the funding agency for NGOs by telling it that its donation would be used to produce voter-education videos.

Instead the money was allegedly used to set up a radio and television production facility for Boesak's second wife, Elna.

The foundation's accountant, Freddie Steenkamp, was sentenced to six years in jail last month for his part in defrauding the foundation after he confessed to skimming off R259 161 from money donated by singer Paul Simon to create a children's trust.

Kumi Naidoo, director of the South African NGO Coalition, estimated last night that foreign organisations donated R450-million a year to NGOs in South Africa.

This included donations from foreign welfare organisations, foreign churches and church-based development projects, foreign governments and trust funds.

Charles Mott Foundation spokesman Bill Hanson, speaking from the Unites States, said last night the latest scandal was distressing news but added that the foundation remained optimistic about the South African NGO sector.

"This setback will make the foundation look more carefully at who it funds, but we remain positive about many NGO organisation in your country," he said.

Kellogg Foundation spokesman Mike van Buren said the organisation had been involved in funding projects in southern Africa for the past 10 years and doubted that the latest incident would change the status quo.

The Kellogg Foundation has pumped more than R56-million into NGO projects in southern Africa.

Msweli, who is in custody facing charges of theft, will apply for bail in the Wynberg Magistrates' Court today. The State intends to oppose it.

Last week Mr Justice Siraj Desai was told that Msweli, a former Umkhonto weSizwe intelligence officer, had bought two service stations, a house in Durbanville worth almost R500 000, a 1997 BMW cabriolet and several other vehicles. Evidence was also that he had several insurance policies that, on maturity, would pay out R16-million, and various endowment policies.

Tsukudu said yesterday the exposure of the theft would have international repercussions and affect the relationship between South Africa and Sweden.

"This comes as the Boesak matter is not yet resolved in the courts. It is infuriating, to say the least. I am still so angry."

Mathokoza Nhlapo, director of WUS-SA, said from Swaziland yesterday that Sida had not threatened to withdraw funding.

"It's not WUS-SA that's responsible, but an individual. This will jeopardise the life of NGOs. It's quite unfortunate. It affects the fundamentals of an organisation in need of funding. The focus was on the poor and the marginalised in the rural areas. That this (theft) happened makes me very sad," she said.

R3,1m theft hurts NGOs (297)

THE theft of R3,1 million allegedly by the financial manager of a non-governmental organisation — which receives the bulk of its funding from the Swedish Development Agency — has jeopardised continued overseas funding for the poor.

Ms Phuti Tsukudu, chairperson of the World University Service — South Africa (WUS-SA) was speaking on the eve of the application for release on bail by Mr Thompson Vuyisile Msweli, who was arrested on a charge of theft.

"The whole developmental sector has been placed in jeopardy because of this stupid, calculated, mean man," she said. "This is not what we struggled for. We struggled for a fundamental change in values ... to eradicate things like this."

Ms Mathokoza Nhlapo, director of WUS-SA, said the Swedish agency had not threatened to withdraw funding.

● See Page 3

CT 23/12/97

'NOT WHAT WE STRUGGLED FOR'

R3,1m NGO theft may block funding

CT 23/12/97

(297)

THOMPSON VUYISILE MSWELI, arrested for theft from an NGO, will apply for bail in the Wynberg Magistrate's Court today. **RONALD MORRIS** and **CHRIS BATEMAN** report.

THE theft of R3,1 million from a non-governmental organisation that gets most of its funding from the Swedish International Development Agency (Sida) has jeopardised continued overseas funding for the poor in South Africa.

This warning was issued yesterday by Ms Phuti Tsukudu, chairperson of the World University Service-South Africa (WUS-SA), which obtained a provisional sequestration order last Wednesday on the estate of WUS-SA financial director Mr Thompson Vuyisile Msweli, who was arrested for alleged theft on December 10 and held in the Athlone police cells. He is expected to apply for bail in the Wynberg Magistrate's Court this morning.

The state intends to oppose bail.

At the provisional sequestration hearing last week, Mr Justice Siraj Desai was told that Msweli, an ex uMkhonto weSizwe intelligence officer, had bought two service stations, a house in Durbanville worth almost R500 000, a 1997 BMW cabriolet, a 1997 Honda Ballade and several other vehicles.

There was also evidence that he had several insurance policies which, on maturity, would pay out R16m, and various endowment policies.

Msweli, according to evidence before Judge Desai, started stealing when he took over the portfolio in 1995 and diverted the money to his personal bank account.

His alleged dishonesty had been uncovered when he was absent from work and it became necessary for colleagues to carry out a reconciliation of the distribution of funds to recipient organisations, Judge Desai was told.

Before the sequestration application was brought, deputy attorney-general of the Cape Mr Percy Sonn used the Proceeds of Crime Act for the first time to freeze Msweli's assets.

Tsukudu said yesterday the uncovering of the theft would have international repercussions and affect the relationship between the South African and Swedish governments.

"This comes as the Boesak matter is not yet resolved in the courts ... The whole developmental sector has been placed in jeopardy by the stupid act of an individual," Tsukudu said.

Tsukudu, who has been chairperson for the past two years, said: "You think people who do these things are monsters and not human beings and then you realise they are people just like you and me.

"It challenges a whole lot of perceptions and puts the issue of trust in question. Who can you trust, where can you trust? Do you have to investigate people before you can trust them?

"This is not what we struggled for. We struggled for fundamental change in values in our society and to eradicate things like this."

> *'We struggled for fundamental change in values in our society and to eradicate things like this.'*

Mrs Mathokoza Nhlapo, director of WUS-SA, said from Swaziland yesterday that Sida had not threatened to withdraw funding. "It's not WUS-SA that's responsible but an individual.

"This will jeopardise the life of NGOs ... It affects the fundamentals of an organisation in need of funding. The focus was on the poor and the marginalised in the rural areas. That this (theft) happened makes me very sad ... I feel seriously betrayed," Nhlapo said.

WUS-SA received 95% of its funding in two-yearly grants from Sida and the 1995-97 grant was more than R23m and the rest came from the Charles Mott Foundation and the Kelloggs Foundation in the United States.

Nhlapo said Mwesli looked like a "regular personality" who was doing his work. "He was working there as a director before I joined. What I learnt of the organisation I learnt from him."

She had never been to Msweli's home and did not know what personal property he had.

Mr Jurgens Steenkamp of KPMG, the provisional trustee of Msweli's estate, said yesterday he had frozen the R101 000 Msweli's wife Veronica had placed in his lawyer's trust account last Friday to fund his bail application.

Steenkamp said he was trying to assess what Msweli's estate consists of and had met him yesterday afternoon to determine if there could be more money in other bank accounts. He had found that most of Msweli's assets were on lease and fell outside his estate.

"It has now become my duty as a provisional trustee of the estate to determine whether there are other bank accounts," he said.

Mr Johan Brisman, who is responsible for development co-operation at the Swedish embassy in Pretoria, said Sida's future attitude on funding NGOs would be influenced "by the way this case is being handled".

Brisman, who is seconded to the embassy by Sida, said it was "very serious when money meant for disadvantaged people is stolen — it's quite unacceptable to us".

Sida's annual funding to South African NGOs and the government stood at R140m a year.

"We see this as a very serious matter which needs a thorough probe," he added.

He described it as "very different to the Boesak case where the Foundation for Peace and Justice had to be externally probed — here the World University itself has acted quickly and decisively".

He denied that Sida was vulnerable to corrupt management of funds through lack of checks and balances.

A firm of financial auditors found that internal controls at World University Services-South Africa, were lacking and that they should be attended to "immediately".

Brisman said it was "far too early in the day to make any far-reaching conclusions" about future funding.

NGOs distressed about alleged theft

(297) Star 24/12/97

The South African National NGO Coalition (Sangoco) has expressed dismay and regret that "an isolated act of indiscretion" could impair the good work and reputation of organisations, following the alleged theft of R3,1-million by the financial manager of a non-governmental organisation.

World University Service, South Africa (WUS-SA) financial director Thompson Vuyisile Msweli's case was postponed yesterday in the Wynberg, Cape Town, Magistrates' Court to Monday, when he is expected to launch a bail application.

Sangoco president, advocate Rams Ramashia, said yesterday he was "utterly dismayed and distressed" to see money donated to relieve the plight of the poor "embezzled in such an unscrupulous manner".

He called on donors to encourage their grantees to adhere to the Sangoco code of ethics, requiring high standards of public accountability and financial management.

Msweli is to face fraud charges involving the alleged theft of R3,1-million from WUS-SA, an NGO which receives funds to distribute to community-based organisations involved in development work. – Staff Reporters and Sapa

Former MK in R3.1-m scandal

(297)

Sowetan 24/12/97

By Charity Bhengu

THE South African National NGO Coalition (Sangoco) yesterday condemned the theft of R3.1 million allegedly by a financial manager of a non-governmental organisation that receives the bulk of its funding from the Swedish International Development Agency.

Sangoco said it was regrettable that this isolated act of indiscretion allegedly by Mr Thompson Vuyisile Msweli could "impair the good work and reputation of hundreds of noble NGOs".

Mr Rams Ramashia, president of Sangoco, said: "We are utterly dismayed and distressed to see money donated for the purpose of ameliorating the plight of the poor embezzled in such an unscrupulous manner".

He commended the trustees of the World University Services (WUS) for acting decisively by swiftly drawing the attention of law enforcement agents to the problem and hoped that the justice system would resolve the matter speedily.

R450-m lost

Phuti Tsukudu, chairman of WUS, on Monday warned that donor funding of about R450-million a year could be lost as the result of the alleged theft. WUS has obtained a provisional sequestration order on the estate of Msweli.

Msweli who is in custody and is facing charges of theft appeared in the Wynberg Magistrate's Court yesterday for a bail application.

The court was last week told that Msweli, a former Umkhonto weSizwe intelligence officer, had bought two service stations, a house in Durbanville worth almost R500 000, a 1997 BMW cabriolet and several other vehicles.

Sangoco director Mr Kumi Naidoo estimated that foreign organisations donated R450 million a year to South African non-governmental organisations.

This included donations from foreign welfare organisations, foreign churches, foreign governments and trust funds.

Kellogg Foundation, which has been involved in funding projects in southern Africa for the past 10 years, has pumped more than R56-million into NGOs.

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Resolutions focus on social security

CT 24/12/97 (297)

ANDRE KOOPMAN
PARLIAMENTARY BUREAU

A COMPREHENSIVE package of resolutions to improve social and health conditions was passed at the ANC's 50th conference, including a provision for the fully employed to contribute to the health needs of the unemployed.

Resolutions passed at the Mafikeng conference were more comprehensive than before and provided detailed policy direction to government departments.

A key resolution was one calling for a comprehensive social security system to be implemented.

The conference noted that the ANC was committed to providing such a system based on the needs of the people, and which was affordable, fair and just.

It noted that this should include affordable housing, transport, health, land and access to retirement, "all of which constitute a basic 'social wage' package, an economic floor below which, ideally, no one should sink".

The resolution said the social security system should include both contributive and non-contributive systems that "take into account all those who are engaged in full economic activities".

It called on members and the public "to accept the principle that those who are employed make a contribution which should be to the benefit of all citizens".

The conference supported the creation of a national health insurance scheme which, although it could be implemented earlier, should be integrated into the comprehensive social security system.

It was resolved that the government should find solutions to problems in the social health insurance system so that it could be speedily implemented.

The conference called for legislation to regulate medical aid schemes and for the government to explore the potential for private/public co-operation in health care.

Another resolution called for steps to ensure that those "engaged in fraud, theft, corruption and abuse within the welfare system" be prosecuted.

Other resolutions involved measures to stamp out corruption in the public service and called for disciplinary measures to deal promptly with fraud, corruption and misconduct.

A resolution on the Masakhane campaign called on the ANC to ensure that all its members in governing bodies pay their municipal service charges by stop order.

ANC Western Cape information chief Mr Cameron Dugmore, MPL, said the resolutions on social security were aimed at "achieving a better life for the most marginalised in society" and showed the ANC was not "hellbent on creating a privileged black elite".

"What is significant about these resolutions is that they reaffirm the fundamental commitment to the Reconstruction and Development Programme," he said.

Welfare Dept to halt grants

(297)
Sowetan 29/12/97

By Coudjoe Amankwaa

THE department of Welfare and Population Development has begun a mass suspension of grants paid to recipients who no longer qualify for them under the new social grant legislation.

The grants payments will be suspended from January next year, the department's media liaison officer Mr Johan van Schalkwyk has disclosed.

"The suspension was part of an ongoing programme to clean up the social security system which is in a mess. The suspension involves about 38 000 beneficiaries and will lead to a monthly savings of about R12 million," Van Schalkwyk said.

Those affected include more than 20 000 young people over the age of 18 years whose parents received a maintenance or a foster child grant, or young people older than 21 years who are still enrolled fulltime at secondary schools.

Another category comprises 17 465 beneficiaries in four provinces who received a disability grant on a temporary basis. The provinces include Gauteng, Mpumalanga, North West and Eastern Cape.

In terms of legislation, maintenance and foster child grants will automatically be removed from the system at the end of the year in which the young person turns 18, unless proof is submitted that the youngster is still attending school fulltime.

Kadalie to stay in human rights job – for now

ARG 30/12/97 (297)

LINDSAY BARNES
STAFF REPORTER

Western Cape Human Rights commissioner Rhoda Kadalie is to reconsider her resignation after an 11th-hour agreement by the national chairman to outside mediation.

On Christmas Day SA Human Rights Commission chairman Barney Pityana asked Ms Kadalie to stay on in the post she was due to vacate tomorrow.

Ms Kadalie resigned over alleged poor management of the commission and problems which she said placed frustrating constraints on her work.

Ms Kadalie yesterday said she would stay on in the Western Cape office pending an attempt at national level to deal with the commission's problems, which her resignation had highlighted. She is to discuss mediation with Dr Pityana early in the new year.

"I feel almost arrogant to reject the many petitions (asking her to retract her resignation) I received from a lot of people. If I can have some autonomy it will mean a great deal," she said.

However, she was still considering other career options.

Earlier this month Pollsmoor Prison head of admissions John Jansen called for a state investigation into the commission to establish the reasons for Ms Kadalie's decision to leave.

Ms Kadalie had expressed concern at the high number of staff resignations from the commission and blamed Dr Pityana for failing to deal with the root causes of the exodus. She accused Dr Pityana of being an absent chairman whose finger was not on the pulse of the commission.

The commission needed a grievance mechanism and she called for its management to be overseen by a parliamentary committee. She also said a percentage of the commission's budget could be set aside for projects that could make a real contribution to the country's transformation.

THEFT OF DONOR MILLIONS

'High life' boss in high bail bid

POOR RURAL PEOPLE should have benefited from R3,1 million donated to the South African branch of a non-governmental organisation. Instead the money went missing and there are fears that the scandal could freeze foreign aid, Staff Writer **KARIN SCHIMKE** reports.

IN A FOREIGN donor fund fraud case to rival the scandal around Mr Allan Boesak's defunct Foundation for Peace and Justice (FPJ), a former intelligence officer of the African National Congress's military wing appeared in the Wynberg Magistrate's Court yesterday, charged with stealing R3,1 million in international donor money.

The skeleton of what promises to be a story full of riches won and then lost, of high living, adultery, illegitimate children, lives endangered and friendships destroyed emerged in Court 4 yesterday.

But the trial of Mr Thompson Vuyisili Msweli is likely to be remembered most widely as the story of donor money earmarked for poor people in rural areas, but siphoned off into mysterious accounts elsewhere.

A whole R3,1-million.

And although it may be only a quarter of the R12 million that flowed through the conduit of the World University Service SA (WUS-SA) to be used by non-governmental organisations, it is a large enough amount to make a difference to the children in far-flung farming areas for whom it was intended.

It will also make a difference to international donors, who may begin to question the wisdom of giving good money to the cause of development in South Africa.

"It is not just WUS-SA (affected by this trial)," said Ms Nozipho Bardill, witness for the prosecution during Msweli's bail application hearing. "It is a national and international issue that has huge repercussions for our country. Symbolically it would be wrong (for Msweli to be granted bail). Symbolically we have to demonstrate that we are taking this case seriously," she said under cross-examination from Msweli's advocate Mr Johnny Vermeulen.

Prosecutor Mr Louis van Niekerk yesterday summoned five witnesses to the stand to show why Msweli should not be allowed out on bail. The reasons emerged in no particular order, but evidence heard showed Msweli to be "unreliable", "inconstant" and "unpredictable".

Police investigators Inspector Phil Wright and Captain Annelie Viviers also cited his involvement with uMkhonto weSizwe (MK) as an intelligence officer.

"Even if he wasn't an MK member, it is still easy to move across borders, with or without a passport," said Viviers.

"His MK background makes things easier for him because he would have contacts who could help him."

A blurred picture of Msweli's life began to emerge in court yesterday. Delving into past offences, Viviers came across two unresolved cases involving Msweli. One was for car theft and another for manslaughter.

The first incident relates to a time when Msweli worked for the ANC and was in charge of several hired cars before the 1994 election. One car was not returned and, when the ANC was approached, it carried out its own investigation and then led police to the "stolen" car, hidden in the back yard of Msweli's Langa home.

The second incident, which Viviers said was unconfirmed as yet, relates to an evening when Msweli, driving a hired car, returned from a party and allegedly ran over a pedestrian. He allegedly put the pedestrian in the car and drove to Groote Schuur Hospital, where he abandoned both the dead person and the hired car. It also emerged yesterday that Msweli did not have a driver's license at the time.

Wright, of the police commercial branch, said it seemed there was little reason for Msweli to honour any bail conditions as he had lost everything and had nothing but his family to remain in South Africa for.

Msweli's estate was sequestrated earlier this month shortly after he was dismissed from his post as financial manager of WUS-SA. According to an initial audit of his possessions, Msweli owned two plots of land, a house in Durbanville, an erf in Gordon's Bay, four cars, a gun and furniture of an unspecified value. He also had several life insurance policies, unit trusts, a 100% interest in a service station and money in several bank accounts.

Msweli is married and has two small children.

But early evidence showed that all was not well in the Msweli household. Viviers said she had information that Msweli had had a long-standing affair with a certain Ms Yvonne Darkie, for whom he had bought a flat and with whom he had had a child.

'A national and international issue with huge repercussions.'

Another witness testified that in June this year, when donors had met with the board to take stock of the financial status of WUS-SA, Msweli had not arrived. The witness, Mr Lindikhaya Sipoyo — to whom Msweli reported at WUS-SA — said he had found out that on that day Msweli had been in Gordon's Bay, fighting with his wife.

At this point, Mrs Msweli smiled, shook her head and lowered it. She did the same later when Sipoyo testified that strong rumours had been "circulating in the township" since the arrest of Msweli that his life was in danger. It was rumoured that Msweli's wife was involved in these "indirect" threats.

Whatever the true picture of the Msweli marriage, Mrs Msweli got up to touch her husband every time there was an adjournment. They hugged and spoke quietly.

During the bail application hearing, references were also made to the Boesak fraud case.

WUS-SA and the FPJ shared at least one donor: the Swedish International Development Agency (Sida).

In both cases more than R3 million of donor money went missing.

Judgment is expected today in the bail application.

NGO fraud accused is granted bail

BD 31/10/97 (297)

Deborah Fine

FORMER Umkhonto we Sizwe intelligence operative Thompson Msweli was granted bail of R200 000 in the Wynberg Magistrate's Court in Cape Town yesterday following his arrest on charges of stealing R3,1m from a nongovernmental organisation (NGO) funded by a Swedish donor.

Msweli, a former financial director of the SA branch of World University Services, allegedly used money donated for human rights education programmes by the Swedish International Development Agency to buy luxury cars and a R500 000 home in Durbanville, as well as to open a service station.

Granting bail, magistrate Gilbert Jose found there was not sufficient evidence to show Msweli would attempt to flee the country should he be released from police custody, or that he would attempt to intimidate state witnesses or commit crimes.

He imposed stringent bail conditions, however, ordering Msweli to report to the Durbanville police station twice a day and to hand over his firearm and passport.

Msweli was prohibited from contacting employees at the NGO or visiting its premises, and from coming within one kilometre of any airport or harbour.

He would also require written permission from police to leave the Cape Peninsula area. The case was postponed to February 6.

Meanwhile, United Democratic Movement co-leader, former African National Congress member Gen Bantu Holomisa, said yesterday the channelling of foreign and local donor funds to NGOs via the government's reconstruction and development programme had resulted in a "severe blow" to the country's NGO sector.

A systematic process appeared to be under way whereby NGOs which were not well disposed to government were being identified and denied access to funds, Holomisa said.

Of the 55 000 NGOs which had been listed in 1995, 6 000 had been forced to close down due to lack of funding, he said.

Holomisa urged international donors to consider channelling their funding directly to NGOs rather than through government departments or agencies.

He also called on government to disclose all information regarding funds which had been received from foreign and local donors.

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STRICT TERMS IMPOSED ON ACCUSED

R200 000 bail for Msweli

CT 31/12/97 (297)

THE ACCUSED in a R3,1-million self-enrichment scam involving overseas donor money has been released on R200 000 bail. Staff Writer **KARIN SCHIMKE** reports.

Mr Thompson Vuyisili Msweli has to find R200 000 in cash to secure his temporary freedom before his case goes to trial next year.

This amount, say experts, is extremely high and indicates the court's assessment that there is a risk Msweli might leave the country.

The one-time uMkhonto weSizwe intelligence officer stands accused of diverting overseas donors' funds to the tune of R3,1 million intended for poor rural communities into his own accounts.

Now, after losing his job as financial director of World University Service SA (WUS-SA) and being declared insolvent, the penniless 35-year-old not only has to find R200 000, but also has to comply with very stringent bail conditions.

If Msweli pays the bail, he will have to report to the Durbanville police station twice a day — between 7am and 9am and again between 5pm and 7pm.

Should he wish to leave the Cape Peninsula, he will only be able to do so on written permission from the investigating officer, Inspector Phil Wright. He will also have to hand in his gun, his passport and his wife's passport.

Msweli has been banned by magistrate Mr Gilbert José from setting foot in the WUS-SA offices and if he contacts any of his ex-colleagues, he is in breach of the bail conditions.

How he will raise the money is a mystery. His wife vowed on the stand yesterday to beg and borrow to raise the money.

"I will borrow it from friends, family, even loan sharks," said an emotional Ms Victoria Msweli, who earns around R5 000 a month as a school teacher at Langa High School.

"Whoever I borrow the money from, I will see to it they know it will take some time to pay back the loan."

Msweli has been provisionally sequestrated following investigations by an ex-colleague who found he had been diverting money into his own accounts.

'I will borrow it (the bail money) from friends, family, even loan sharks.' — Wife of the accused

Msweli's assets such as his four cars, three erven, his Durbanville house, the credit in his various bank accounts, his unit trusts and his life insurance policies have been frozen and he cannot draw on them to help himself out of his bail problem.

Meanwhile, his 40-year-old wife will have to support their child, her daughter from another relationship and his child from another relationship.

The strain of the past month showed yesterday as Ms Msweli started crying in the witness box when she was asked her address. She has been told that she will be allowed to carry on living in the family's Durbanville house "until everything has been cleared up".

In the bail application hearing which took place in the Wynberg Magistrate's Court yesterday and the day before, it emerged in testimony that the Msweli marriage was in trouble.

There was evidence of a domestic fight in Gordon's Bay which prevented Msweli from attending a crucial meeting at WUS-SA with some of the organisation's overseas donors.

'It is not on the rocks, therefore it is stable.' — Msweli's wife on the state of their marriage

There was also talk of an extra-marital affair between Msweli and a woman named Ms Yvonne Darkie, for whom he allegedly bought a flat.

But Ms Msweli said yesterday that she and her husband had quarrels "like couples generally have quarrels".

Prosecutor Mr Louis van Niekerk asked her whether she considered hers to be a stable marriage.

She answered: "It is not on the rocks, therefore it is stable."

Contrary to evidence heard in court yesterday, Ms Msweli did not consider her husband to be unreliable and incompetent. But evidence showed that in his last six months at WUS-SA, he had skipped work, missed meetings, failed to comply with requests for psychologist reports as to why he was absent and then finally did not turn up for a disciplinary hearing.

There was also earlier evidence that a case of culpable homicide was being investigated against Msweli after an incident in which he allegedly knocked over a pedestrian in a hired car after a party. It is alleged he drove to Groote Schuur Hospital and abandoned the dead pedestrian and the car there.

A case of car theft against Msweli is also being investigated.

And, despite uncontested evidence that Msweli owns four cars, neither he nor his wife have driver's licences.

During his trial, expected to begin towards the middle of next year, details of the the downward road from fast-living financial director of WUS-SA to accused are likely to emerge.

In the meantime, WUS-SA is smarting from the ignominy of having being defrauded of international donor money.

The Msweli case has been compared to the case of Dr Allan Boesak. The former leader of the ANC in the Western Cape will be on trial next year for allegedly defrauding overseas donors of millions of rands intended for development programmes.

In delivering his judgment yesterday, José said he had taken cognisance of the fact that the Msweli case would be looked at by the "international world".