

PUBLIC SECTOR - GOVT. - STATE ENTERPRISE

1995

JUNE - SEPT.

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SABC submits radio options

Ingrid Salgado

THE SABC favoured retaining all its radio services in order to maintain a significant income-generating capacity and provide a valued service to audiences through its music format stations.

Submitting four radio options before the Independent Broadcasting Authority (IBA) yesterday, the corporation said this option was financially the most favourable one since it would retain revenue for cross-subsidisation.

Other options — proposed by a radio task group set up by the SABC — were privatisation of all commercial music format stations, partial privatisation and the merging of regional commercial stations.

However, the retention option was a medium to high risk strategy which was based on the SABC's ability to meet commercial competition effectively. It would also limit opportunities for new entrants, SABC radio head Govan Reddy said.

The full privatisation model was the broadcaster's second best option. It envisaged the immediate sale of all commercial stations, and investment of this capital injection to achieve a predictable annual

revenue for cross-subsidisation. However, it would increase the cost of sales for remaining SABC radio services.

Partial privatisation would see the sale of up to 55% of its nine radio services to private aspirant broadcast interests. It meant revenue was subject to taxation and would limit stream of income to 45% of advertising revenue. Reddy said the corporation could not abandon its financial support for the public service portfolio.

The last option, merging the SABC's regional commercial stations, was the least favourable since it would result in considerable revenue loss and concern that regional audiences were being abandoned by the public service broadcaster, the SABC said.

Also yesterday, SABC board chairman Ivy Matsepe-Casaburri told the IBA that SABC-owned Sentech, which provides a video signal distribution function, should be separated from the SABC.

Sentech should operate on a commercial basis and the SABC should receive "reasonable but fair" compensation for the sale, she said.

The former TBVC transmitter facilities needed to be incorporated into Sentech.

Consolidated Metallurgical Industries Limited

Incorporated in the Republic of South Africa
Registration Number 75/00230/06

five convertible preference shares
(the preference shares")

Dividend of preference dividend (No. 8)

Dividend (No. 8) of 29,75 cents per share in currency of the Republic of South Africa on a daily basis at the rate of 100 on the issue price of 600 cents has been declared in respect of the five convertible preference shares from 1 January to 30 June 1995, both inclusive, payable to holders of the shares registered in the books of the company on Thursday 15 June 1995.

to be made in accordance with the provisions of the Company's Articles of Association.

arrants in Rand and, where bank drafts, dated 30 June 1995 and by the transfer secretaries to

'Racist' police probed

Mduduzi ka Harvey

THE SA Police Service (SAPS) had conducted 24 investigations into allegations of racism by its white members against black staff and dockets had been sent to the attorney-general to decide on prosecution, spokesman Col Joseph Ngobeni said yesterday.

A second commission had been set up to look into allegations of racism against the internal stability unit in Soweto.

Police, Prisons and Civil Rights Union president Enoch Nelani said the inquiry was overdue and the union was prepared to take issue with government on the continued appointment of whites into senior posts.

Even senior black officers had to work with "old school" whites. Attitudes would not change unless the

hierarchy was changed.

SA Police Union spokesman Gontshe Koitsioe said Sapu had warned Gauteng safety and security MEC Jessie Duarte a racist clash had been looming in Soweto and that she should not have deployed internal stability unit members in the conflict that erupted two months ago.

Sapu would convene a workshop with all stakeholders to look for solutions to problems in the force.

Lawyers for Human Rights spokesman Motala Ahmed said government had to change the SAPS to reflect the composition of the community.

Human Rights Commission national director Patrick Kelly said the SAPS was riddled with problems because the white sectors had been drawn from apartheid communities.

Afrikaans for
all 3 channels
(260) 271/6/45

1. Afrikaans is 'n belangrike taal in Suid-Afrika.
2. Dit word deur baie mense gepraat.
3. Die taal het 'n ryk geskiedenis.
4. Dit is 'n belangrike deel van ons kultuur.
5. Afrikaans is 'n baie pragtige taal.
6. Dit is 'n belangrike deel van ons identiteit.
7. Afrikaans is 'n baie interessante taal.
8. Dit is 'n belangrike deel van ons erfenis.
9. Afrikaans is 'n baie mooi taal.
10. Dit is 'n belangrike deel van ons lewe.

SABC retracts proposal to IBA (260)

■ BY MICHAEL SPARKS

The SABC has withdrawn its earlier proposal to the Independent Broadcasting Authority (IBA) entailing the partial privatisation of some of its commercial radio stations.

Radio head Govin Reddy told the IBA yesterday that the corporation had not yet thoroughly investigated the idea when it was first proposed in April, but had decided to submit it to the IBA anyway.

He told the IBA that a task group had been set up subsequently to consider various options which would cater for the needs of the listeners, while also maximising revenue from radio.

The task group found that the advantage of increasing access to radio for disadvantaged people through privatisation was outweighed by the revenue shortfall which would result.

Star 1/6/95
Preferred

Other options considered by the task group were merging the regional commercial radio stations to form a third national commercial station, full privatisation of the commercial radio stations, and retaining the existing stations but adjusting them to the changing nature of the market.

Reddy said the preferred option of the SABC was to maintain the existing radio services and make minor adjustments to cater for the changes in the market as new stations are given licences.

This would maximise revenue to the corporation, which currently contributes 60% of the financing for radio services.

Should the radio stations be privatised, they would be subject to taxation, which would dramatically decrease their revenues. While in the SABC stable, they are exempt from taxation.

to change the board.

carried by rural blacks, indicating that the

households headed by a matriculant.

Public servants resist KwaZulu/Natal move

Farouk Chothia

BD 2/6/95
ULUNDI — About 7 000 former KwaZulu public servants were resisting incorporation into structures of the new KwaZulu/Natal government and many were refusing to work, local government and housing MEC Peter Miller said yesterday.

Miller told the provincial legislature that there had been a "complete breakdown" of discipline in the past two days and a "crisis" had developed at certain offices.

Employees in the former KwaZulu public works department were demanding that their grievances be addressed before they were incorporated into the new local government department.

Miller said some were demanding promotions while others had unfounded fears of losing benefits incurred during the KwaZulu era. Some of them believed proper procedure for the incorporation had not been followed.

Miller said he was discussing

the crisis with public works MEC Senzele Mhlungu, and a solution would have to be found in the next few days.

During the KwaZulu homeland era, local government functions were performed by the public works department.

Miller said senior officials in the local government department were also applying for jobs in other provinces because the KwaZulu/Natal Service Commission was delaying making decisions on their appointments.

Miller said he had made final submissions to the commission late last year, but there appeared to be a lack of urgency on its part.

Meanwhile 51,23% or 2,4-million voters had registered in KwaZulu/Natal for the local government poll by the end of last month. In the Maritzburg region 78% registration had been achieved, in the Durban metropolitan 56,5%, in the urban transitional local council areas 58% and in rural areas 46%, Miller said.

Natty Mandela poses for Vogue

NEW YORK — President Nelson Mandela is in vogue this month, nattily attired in the June issue of the US high-fashion magazine Vogue.

"A historic moment," says the caption under the full-page picture of Mandela posing with Somali model Iman. The photograph kicks off a glossy 20-page fashion pictorial with local models and Iman in the Cape, and a page of Archbishop Desmond Tutu exercising in sporty togs.

The introduction says SA "opened its arms to the rest of the world — and Vogue accepted the invitation".

The resulting pictures, it continues, "celebrate the beauty and optimism of the new SA, a nation and a people embarking on an exciting future".

Captions focus mainly on Iman's garments, and no buyers' information is provided about the President's elegant three-piece suit, white shirt and patterned necktie.

Elsewhere in the issue is an article by novelist George Packer. Headlined "In apartheid's shadow", it is about an SA where "hope for democracy flourishes, but anger still smoulders just below the surface". — Sapa.

IBA warns of unfair competition

Ingrid Salgado

BD 2/6/95
UNFAIR competition for revenue and audience share could result if a single broadcaster was forced to carry all SA's public interest obligations when other broadcasters were unregulated, the Independent Broadcasting Authority said in a background paper for its parallel hearings yesterday.

The hearings, which take place in all nine provincial capitals over the next two weeks, are looking into provincial broadcasting concerns.

Similarly, an environment in which the national public broadcaster diverted advertising at the expense of

private broadcasters would also lead to unfair competition, the IBA said.

It was the IBA's role to regulate broadcasting so that the "complex and sometimes contradictory" goals of democracy, development and nation-building were met.

It would do so by considering the public interest, including access to broadcasting, diversity, equality and independence.

The role of broadcasting was especially important in SA where high illiteracy levels existed. It could provide education, human rights and public health information, nurture a common sense of citizenship, reconciliation and tolerance and reflect

the rich cultural, linguistic, religious and regional diversity of SA.

It was important that broadcasting be developed into a competitive and sustainable industry, it said.

The public broadcaster's primary obligation was to guarantee access for all citizens to radio and television programming which addressed their needs, but without succumbing to market forces.

The IBA Act specified that a range of information programmes, including news, current affairs, political coverage, public affairs and documentary programming, be available to the public on a regular basis

● See Page 14

SABC launches campaign for adverts

The Argus Correspondent

JOHANNESBURG — The SABC is to launch a new advertising campaign tomorrow in an attempt to persuade emerging businesses to advertise on television, according to a statement

The corporation said yesterday that as a direct incentive to advertise during the Ad Mission campaign, the SABC would be dropping its rates by half for the first campaign of an emerging business, with a 25 percent discount for the second campaign for a maximum of three months

This means for an example that a weeknight advertisement on

CCV during the 7pm news would cost about R9 300, rather than the normal R18 600

According to CCV acting general manager Molefe Mokgatlhe, the Ad Mission campaign was conceived to stimulate a potentially lucrative advertising market among the emerging business sector

The applications for reduced rates will be assessed individually, but the campaign is not for major corporations, nor is it aimed exclusively at the black market

"We need to dispel the image among these businessmen that

television advertising is unaffordable to everyone but big brand advertisers," said Mr Mokgatlhe.

He said the campaign had been conceived less as one for making money than as a contribution to the development of the business community

The R2,5-million campaign, which will use television, radio and print media, will include an animated television ad which tells of a spaza owner who tries unsuccessfully to advertise by dropping leaflets in his community

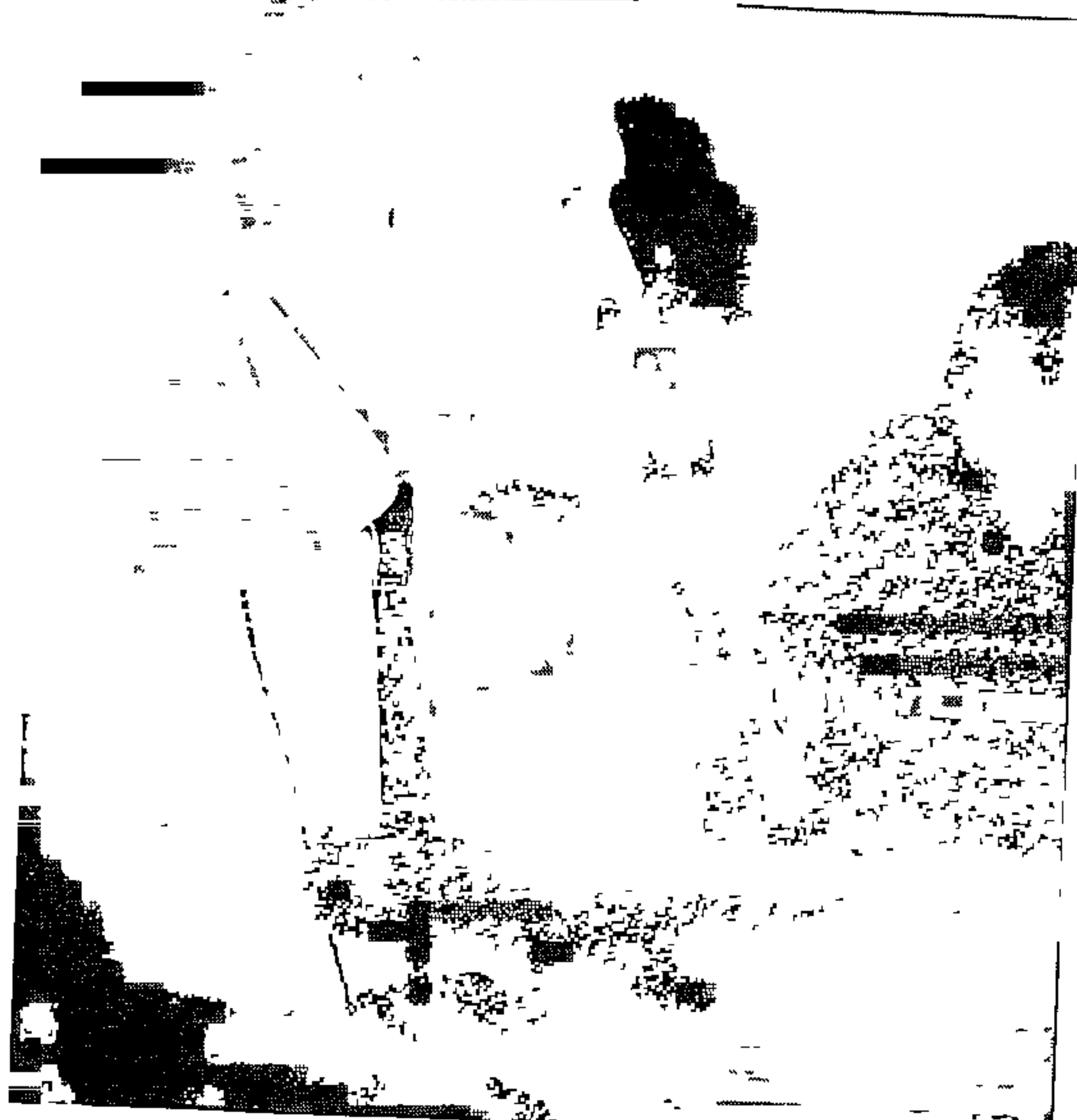
A television ad for his business has far more dramatic results

ARG 2/6/95 (260)

bias by community broadcasters, and we look at two new stations recently granted licences

the Inept Broadcasting Authority?

(260) WM 2-B/6/95



Ruler of the airwaves: IBA co-chair Peter de Klerk presiding over IBA hearings last week

PHOTOGRAPH HENNER FRANKENFELD

Electoral Commission last year — both were newcomers taking on a vast task with an almost limitless number of unknowns. The licensing process was complicated by the fact that the IBA received 170 applications for community radio licences — far more than it anticipated. It appears that the IBA, overwhelmed by the number of applications, took the line of least resistance. So the stations with the expertise got in first, and many of the "historically disadvantaged" community stations were left floundering.

In fairness, the IBA was in a no-win situation. As Matsonn points out, the IBA could not be player and referee by coaching applicants — but in the absence of anyone else to take on this task, it was difficult for the

IBA to fulfil its duty of opening opportunities for inexperienced broadcasters.

Mtindwe has doubts about the community credentials of some of the stations which received licences, and claims that of the 35 NCRF members who applied for licences, only 15 were successful.

In its purest form, a community broadcaster is owned and controlled by the community which it serves. The station must be managed democratically by a board representative of and accountable to the community which the station sees as its target audience. These are the criteria used by the National Community Radio Forum (NCRF) and, in theory at least, by the IBA.

Matsonn admits it is possible that

one or two stations with commercial ambitions may have been able to slip in under the guise of community broadcasters, but generally he is satisfied that the majority of licencees will operate in good faith.

However, just what is meant by "community" has created more controversy. The IBA allows for communities to be defined on the basis of geographical proximity — for example, Alexandra — or as "communities of interest" — the Muslim community of Durban, for example. A "community of interest" station is aimed at a wider area than a neighbourhood station, and hence requires a more powerful transmitter.

Farah Moosa of Bush Radio

Pirates get a foot in the door

If you were a community broadcaster trying to get on the air by the beginning of June, two factors would have counted in your favour. Either you had to make sure your broadcasts wouldn't overlap with any other applicants, or you had to be a former pirate broadcaster with Afrikaner culture high on your programming agenda.

Of the stations which are now on the air, the campus broadcasters and Iscorian Radio operate on low-power transmitters which do not overlap with the target areas of other licencees. Radio Maritzburg is the

only community broadcaster in its home town.

Radio Pretoria will be competing with at least three other Pretoria-based stations when they go on the air, yet it was among the first stations to be licenced, not only for Pretoria but for eight other centres as well.

Radio Pretoria appears to have got a foot in the IBA's door by broadcasting illegally during 1994, as did Radio Koppies in the northern Free State. The two stations are the only ones licenced to operate multiple transmitters. Koppies broadcasts from three separate centres.

Community stations which have started broadcasting

Station	Designation	Town	FM Waveband
Iscoran Radio	Corporate	Vanderbijlpark	102.2 MHz
Radio Koppies	Afrikaner Culture	Koppies	104.1 MHz
Radio Maritzburg	Geographical	Pietermaritzburg	107.6 MHz
Radio Matre FM	Campus	Stellenbosch	92.6 MHz
Radio Pretoria	Afrikaner Culture	Pretoria	104.2 MHz
Radio Sedaven	Campus	Heidelberg	97 MHz
Radio Tuks	Campus	Pretoria	107.2 MHz
Radio Turf	Campus	Turloop	103.8 MHz
Rhodes Music Radio	Campus	Grahamstown	89.7 MHz

argues that as a result of the Group Areas Act, geographical boundaries mean ethnic boundaries, and a broadcaster has a right to broadcast beyond its own back yard in order to create a sense of community across racial lines. Bush sees its target audience as the community of Cape Town — a definition too broad for the IBA's tastes, which is why Bush is furious at ending up with a 15km broadcasting radius on a frequency shared with another broadcaster, C-Flat.

In regions where there was less competition, it was much easier for loosely defined communities to get access to high-powered transmitters. NWFM, based in Christiana in the western Free State, will be broadcasting to several towns within a 60-

km radius of the transmitter. And East Side Story Radio on the East Rand has used its generous allocation to break through ethnic boundaries in the way Bush intended to. The station is based in the townships around Benoni but will aim its multilingual programmes at the white suburbs as well.

So the IBA's intention of fairness was stymied by practicalities. A single broadcaster in a rural community can get almost anything it wants in terms of waveband allocations. In urban areas, competition for channels forced the IBA to impose limits. The situation is worst in greater Cape Town, where the SABC uses multiple frequencies to overcome the problems presented by the mountains — leaving very few wavebands for community broadcasters.

The IBA has kept frequencies aside for independent commercial broadcasters. But investors who intend backing commercial stations are desperately frustrated by the delays, according to Goldman. There were clear political reasons why the IBA had to get community licences out of the way before turning its attention to commercial operations, but these concerns are unlikely to soothe the impatience of foreign investors who have been eyeing South Africa ever since the first moves towards democracy in 1990 promised a liberalisation of broadcasting.

Matsonn hopes that the first independent commercial radio licences will be issued by the end of this year. Others have warned that if this does not happen, it will mean the loss of all credibility for the IBA. An Independent Telecommunications Authority (ITA) is likely to be established in the near future, as technological developments bring about an increasing overlap between broadcasting and telephony. If the IBA cannot deliver soon, it could find its role eclipsed by the ITA.

A lot of hot air(time)

(260) WM 2-8/6/95

Justin Pearce

THOSE who've been worried about a return to PW Botha-era broadcasting can sleep peacefully once more. The government's request for airtime on SABC radio and television is unlikely to get past the SABC board when it comes up for discussion next Wednesday.

Although the matter has not yet been formally presented to the board, board members from across the political spectrum who spoke to the *Mail & Guardian* were unanimous in rejecting the idea that the government have a regular airtime slot to communicate its view of events.

"With the history of government

pressure on broadcasting, it would be bad to introduce the proposal at this stage," said board member Professor Pieter Potgieter, reflecting the fears of his colleagues that the acceptance of the proposal would be mean backtracking on the gains that the SABC has made in terms of editorial independence since 1990.

Board member Sheila Sisulu said the SABC had a duty to inform the public of government and other news, and that she was not sure of the details of the request from government. "Is it that we are not informing people — or is it the government wanting to put its own view? If the intention is to put the government's view I'd be very worried."

Deputy President Thabo Mbeki's

representative Ricky Naidoo said Mbeki's office did not have an opinion on government airtime, and that the request was at the initiative of the South African Communication Service — the successor to the old Bureau for Information for which Mbeki now holds political responsibility.

SACS director David Venter said that empowering people involved keeping them informed on the workings of government — and that the SABC made its editorial decisions on the basis of newsworthiness which would not necessarily communicate the full picture.

SABC board member Dr Ruth Teer-Tomaselli replied that SACS had a generous budget, and if it wanted to communicate its point of view without editorial intervention it could pay for advertising time.

■ **Inept Broadcasting Authority?**
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Is M-Net asking a bit too much?

M-Net is planning to unbundle Multichoice. Jacques Magliolo asks whether this move will benefit shareholders

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LECTRONIC Media Networks (M-Net) is once again warning shareholders to trade their shares with caution.

M-Net is proposing to unbundle Multichoice into two separate entities and has returned to the market with promises that the unbundling will benefit shareholders. In addition, M-Net and Multichoice shares are to be de-linked on the Johannesburg Stock Exchange (JSE).

How can the directors expect shareholders to believe that the proposed restructuring will benefit them, particularly following the company's inability to sustain earnings growth over the last few years, or even uphold vital promises made to the investment community at the time it listed in August 1990? During the months preceding its



Questions, questions: M-Net chairman Ton Vosloo

listing on the Beverages, Hotels & Leisure sector of the JSE, M-Net made a series of promises to analysts, which the directors have, in a short five years, completely ignored. At the time of the M-Net listing I was employed at Frankel Pollak Vinderne (then called Frankel Kruger Vinderne) as an industrial analyst and was directed by chief executive Sidney Frankel to assist the head of industrial research, Mike Howarth, (now with Silvis Barnard Jacobs Mellet) to undertake an analysis of the company. Part of the task included holding discussions with the com-

pany's financial manager Steve Pacak and chief executive Koos Bekker.

At these meetings M-Net directors made a number of crucial promises.

● M-Net's original shareholder structure would never be dissolved—either directly or indirectly.

M-Net was created by a consortium of newspaper groups in order that its shares would never end up in a single stable.

When television was first introduced in South Africa, it posed an enormous threat to the country's main publishing houses, particularly the daily newspapers, because of the potential loss of advertising revenue.

After negotiations with the government, the six main newspaper groups formed M-Net Holdings, which owned 78.9 percent of M-Net's shares. The consortium comprised Nasionale Pers (35.4 percent), Perskor (13.6 percent), Argus Holdings (23 percent), Times Media Limited (23 percent), Natal Witness (2.5 percent) and Dispatch Media (2.5 percent). The remainder of the shares rested with the public (13.1 percent), through an offer to M-Net sub-

scribers, and management (8.0 percent).

M-Net is no longer controlled by six newspapers, but, in effect, only two. Since Argus Holdings was restructured into Omnicor, which obtained greater control of Times Media Limited (TML), Omnicor now owns nearly 40 percent of M-Net. The only other main shareholder is Nasionale Pers.

Some analysts call the latest restructuring "third generation investment" and say that it will offer shareholders exciting opportunities. But this ignores Omnicor's bid to control the electronic media through its 92 percent control of TML and M-Net.

● M-Net would not be involved in activities outside pay television. Since its listing, M-Net has taken an active role in pursuing cellular phone technology, has invested millions into foreign markets and now it intends to be involved in satellite technology. Investors may wonder what development costs will amount to.

Already the company is on an

unprecedented price earnings ratio of 1 000 times (years it will take an investor to recoup the price of the share in terms of company profits)—a dividend yield of 0.5 percent and a earnings yield of 0.1 percent. How loyal can shareholders be?

Admittedly, analysts underestimate the company's potential. During its first year of operation, S. Howarth and I forecast a share price of 145 cents a share in its first fiscal year, but the company achieved that on its first day on the JSE. However, the company then seemed to have focus.

● Given the cash nature of the business, M-Net does not need to have rights issues for the foreseeable future.

The directors' reasons sound logical, given that the pay channel targeted the middle- to upper-income population and that, with more than 429 000 subscribers on its books, the company would receive more than an R30-million in subscriptions a month during 1990.

But the company has had two rights issues in the last three years, mostly to pay for expansion into unknown, foreign, highly competitive markets.

Now, the company is coming back to the market to ask shareholders for patience and not to trade during these dealings. Why not?

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■ Inept Broadcasting Authority?
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UMGENI WATER

Now's the time for full disclosure

Independent auditors are to be appointed to examine the massive borrowings and secondary market-making activities of Umgeni Water

Umgeni, a semi-autonomous water authority based in Maritzburg, has been the subject of intensive scrutiny by the *FM*, which revealed last week that it raised R2bn in unauthorised loans over its 1991 and 1992 financial years. Water Affairs & Forestry Minister Kader Asmal has responded by announcing that he will appoint independent auditors to investigate these aspects of Umgeni's affairs.

Asmal says the auditors, yet to be selected, will report directly to him. Their brief will be drawn independently but will embrace aspects such as "accountability and good practice".

Rebutting the *FM*, Umgeni CE Brian Walford raises three critical issues. First, he denies the *FM*'s contention that Umgeni is overborrowed. However, after two interviews, many phone discussions and faxes and sight of the *FM*'s final article, Walford never disproved this statement. It was an observation made first by Rand Merchant Bank (RMB) chairman GT Ferreira in September 1992 to Umgeni officials, including then CE GJD Atkinson and current finance director Avison Carlisle.

Some questions relating to RMB's stewardship of Umgeni's borrowings have yet to be answered satisfactorily. RMB, a respected merchant bank, was Umgeni's sole marketmaker at the time the authority raised its large borrowing facility. Events after the massive loan issue led to Ferreira's personal intervention and clearly expressed concerns at the dilemma confronting the bank's client.

The second issue relates to authorisation for these borrowings. In terms of the Water Act, the Minister is required specifically to approve borrowings and the precise intentions for which loan monies are to be applied. Throughout the *FM* investigation, a direct answer was never supplied on the issue of authorisation.

It is now clear that then Minister Magnus Malan never gave authority for the bor-

rowings. Questions on this are deflected by Umgeni by references to capital programmes, which it is said received Ministerial approval. The two matters are not the same. Asmal now confirms that Umgeni "did not obtain approval under the Water Act for making a market in its stock" and adds "in view of its (Umgeni's) interpretation that this was not required".

The application of careful technical interpretation of wording to shed the best light on the water authority's actions has become a hallmark of Umgeni's responses.

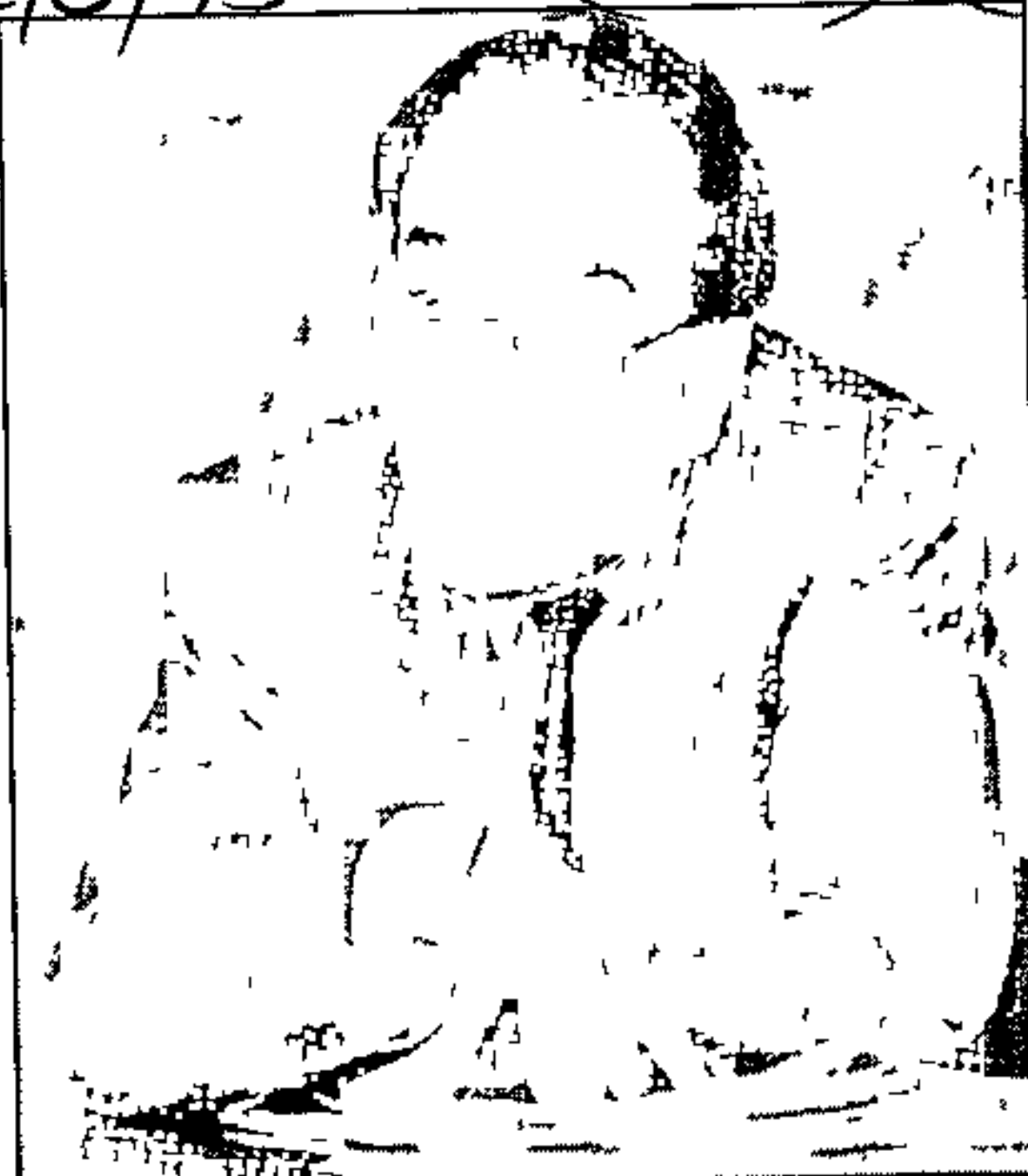
The third matter is the Loan Discount, the balance sheet item which first attracted the *FM*'s attention. Walford says "The Loan Discount is not an indication of bad financial management". But this was never the issue. The *FM* never questioned the comparative size of the Loan Discount. It is aware the Loan Discount is arrived at by computing the relationship between a loan stock issue and par redemption value, the *FM* is also aware that this takes account of the yield to maturity at the time of issue and the interest coupon on the loan.

The *FM*'s simple approach — which we maintain — is that the practice of writing off large trading losses against the Loan Discount is extremely imprudent.

The core issues in the *FM* investigation were the inexplicably large sums raised by a small water undertaking without prior ministerial authority, the absence of pre-planning for such large

issues and, finally, what happened to the money.

What is clear is that Umgeni raised about a nominal R2bn in loans in a short period. It is also clear that about R200m was lost in



Asmal rooting out all the facts

this exercise, a sum which Umgeni has tried to recover on the advice and with the help of RMB and others through active secondary market trading.

A reading of Umgeni's operations over the past few years shows the authority's biggest business is not water supply but its activity in the gilts and gilts derivatives markets. Surprisingly, therefore, the *FM* notes Umgeni has no specific prescribed accounting policy on the

treatment of derivatives, accounting practice and policy for derivatives is among the most complex and difficult of advanced accounting techniques. The absence of a defined policy may present unusual auditing problems.

Last year, Umgeni received *Business Day*'s SA nonlisted companies award. Its accounts for financial 1995 are expected soon (the year-end is February — three months ago). The *FM* expects full disclosure of the marking-to-market process, including all stocks owned by Umgeni and held either by it or by its appointed marketmakers and other institutions. In addition, all amounts charged to the Loan Discount must be fully described.

Since the February year-end, market rumour is that trading in Umgeni stock has been heavy — and the market has been volatile in recent weeks. Consequently, the *FM* hopes all material post-balance sheet events and potential contingent liabilities will be recorded in the annual report.

Walford's response to Asmal's cautious appointment of independent auditors is to say that "a major part of the brief will be to analyse the benefits which Umgeni Water's consumers enjoy as a result of the trading, compared with the scenario had the company not entered this market". This implies that Umgeni's actions in the gilts and derivatives markets have without question been beneficial and prejudices the independent auditors' assessment.

In discussion with the *FM*, Asmal emphasises his desire to conduct an investigation with speed. "The audit will determine any action I decide to take".

These developments signal the beginning of a concentrated debate about the raising of loan capital in the SA market. It comes not a moment too soon and the *FM* expects this first investigation to be empowered to examine all aspects, without reserve, of Umgeni's activities in this area.

David Gleason



Ferreira will he find a happy ending?

LOERIE AWARDS

Runaway winners



With an astonishing 28 Loeries, the Hunt Lascaris group dominated the 1995 Lorie Award ceremony at Sun City this week to a degree unprecedented in recent history. One of its Loeries, a poster for Midcity Gym, also took a Grand Prix.

However, a talking point of almost equal fascination was the below-the-line superiority of Red Nail, which gained two Grands Prix and 11 Loeries. Red Nail firmly cemented the reputation it has enjoyed over the past three years as one of the hottest hot-shops in SA.

Combined with a resurgence of parent company Sonnenberg Murphy Leo Burnett, this took the group into second spot in the Lorie table (based on the points system established by the Creative Directors' Forum), though its haul of three Grands Prix was the highest of any group.

The measure of Hunt Lascaris's triumph is that last year — when it was also the leading award-winning agency — it won only 13 Loeries. Ogilvy & Mather Rightford, second last year, was pushed down to third by Sonnenberg Murphy/Red Nail and The Jupiter Drawing Room in turn was relegated to fourth.

Wins were more widely distributed than in past years. A total of 27 agencies won something and the eight Grands Prix were

shared by six agencies. Last year's eight Grands Prix were split among only three agencies.

There may be an argument, however, that the judges were a tad too generous in handing out accolades. Some delegates felt the standard of the top-end work was not as high as in 1994. The stand-out advertisement of the year — at least in this observer's opinion — was the Mercedes-Benz hedgehogs, though it could have used a more typically African image (say, meerkats) to get its point across.

The Lorie ceremony itself displayed an unwelcome regression to being tedious and over-long — despite a stunning opening by an African choir and the amazingly cheerful stamina as compere (alongside the SABC's Tim Modise) of Fran The Nanny Drescher. Both spent the best part of six hours on their feet, smiling, kissing and hugging dozens of award-winners. The ceremony — trimmed last year after complaints about its length — dragged through nearly seven wearying hours after starting 30 minutes late. Not good enough.

Tom Koenderman

TAKING FLIGHT Lorie Award Winners 1995

Agency group	GP	Lorie	Sp	Ment	Craft	Total	CDF Score ¹
Hunt Lascaris TBWA ²	1	28		16	9	54	1 812
SM Leo Burnett ³	3	15		9	7	36	1 046
O&M Rightford ⁴	1	9		15	10	35	850
Jupiter Drawing Rm ⁵	1	8		7	3	19	584
Net#work		2		6	7	15	276
Blue Moon Co	1	2		2		5	160
VWV		2		1	5	8	160
African Motion Picture Co		1		1	4	6	112
White House		1		3		4	110
Brown A/V ⁷		2				2	100
BLGK ⁶	1	1		1		3	90
Gitam Int		1			4	5	82
Lindsay Smithers		1			2	1	66
McCann-Erickson				3		3	60
Partnership				3		3	60
Challen Productions				1	4	5	60
Mark Klein		1				1	50
Devereux-Harris		1				1	50
Pentagraph		1				1	50
Bates		1				1	50
Leading individual agencies							
Hunt Lascaris TBWA	1	25		14	9	49	1 622
Red Nail	2	11		4	3	19	674
O&M Transvaal		4		12	7	23	496
SM Leo Burnett	1	4		6	4	15	372
Jupiter Cape	1	5		4		10	350
O&M Cape	1	5		2	3	11	334
Net#work		2		6	7	15	276
Jupiter Jhb		3		3		6	210
Blue Moon Co	1	2		2		5	160

1 Points are allocated as follows: Grand Prix 70, Lorie 50, Sp Mention 20, Craft 8

2 Group comprises Hunt Lascaris TBWA, FMC, AM-C

3 Sonnenberg Murphy Leo Burnett, Red Nail, SMLB Interactive

4 O&M Rightford Cape and Tvl, O&M Direct

5 Jupiter Drawing Room Tvl and Cape

6 BLGK, Grapple Group

7 One Lorie was won jointly by Brown A/V and Mark Klein

(One special mention each was also earned by the following: Lintas, Tholet Sievers, Matthews & Charter, Young & Rubicam, Breeze Design, 360 Degrees, Launch Factory won a craft award.)

Grand Prix winners 3X Mints,
Musica, Mercedes-Benz

Tomorrow
is the only day
when one X
will be stronger
than three.

SABC (260) FM 2/6/95
End of the road

Theo Vorster, head of SABC group communications, has been summarily fired

Vorster, a former SA deputy consul-general in New York and a PR for Sasol and Armscor, was dismissed last week after a disciplinary hearing found him guilty of contravening regulations governing the SABC's motor vehicle scheme for top management

SABC manpower chief Fred Coop confirmed Vorster's dismissal on Tuesday "The matter has been concluded and he is not employed by us any more."

Vorster faced a disciplinary hearing last week after a report by the SABC's internal auditors was handed to financial CE Steve Schubach, who referred it to Coop. Vorster was allegedly found to have made use of SABC pool cars over a period of 40 days, while his wife, Marie, used his SABC company vehicle.

SABC regulations state that top management who benefit from the corporation's motor scheme may only in exceptional circumstances draw a pool car. In terms of the motor scheme, managers receive a soft loan to buy a vehicle and a car allowance, while the costs of petrol, insurance and services are carried by the SABC.

In Vorster's case it is alleged that the motor scheme regulations were contravened by an amount which has been calculated in terms of the benefits of the scheme as well as the maintenance, including petrol, of the pool cars which he had used over that period. According to audited records, Vorster used the pool cars towards the end of last year.

The disciplinary hearing was chaired by production director Cor Nortje, who has a legal background. Two SABC labour

relations experts, Andre Weber and Dick Locghies assisted Nortje, while Vorster was represented by Andre Visagie.

The internal auditors have now stepped up control measures and that all circumstances in which motor scheme members have used pool cars will be investigated.

In terms of his dismissal Vorster will receive his pension fund benefits but he will not be considered for the retirement package which has been offered to senior personnel.

According to a colleague Vorster had indicated earlier that he would apply for the retirement package. Since his appointment at the SABC five years ago Vorster had enjoyed a high profile. He headed the SABC's ecological awareness programme, Ecoforum, and a year ago presented the executive with a communications plan, *Building Bridges during the Transitional Phase*, to change the SABC's image and identity.

Since the appointment of communications adviser Ken Modise, Vorster has been playing a lesser role. On Monday, after he had already been fired, Vorster nevertheless made a speech at the farewell of former colleague Willie Visagie, who had opted for the retirement package.

In 1990 the *FM* reported that Vorster, contrary to SABC staff regulations, had been a director of a publishing company who had landed a R100 000 contract with the SABC.

Despite his denials, his name was listed at the Registrar of Companies as a director of International Business Contacts (IBC).

It was also reported that charges to a Nedbank American Express card used by Vorster had been paid by IBC and that Vorster had admitted that he had opened an overseas bank account with Kredietbank SA Luxem-

bourgeoise in which IBC had paid R8 650 in Swiss currency for consultation work (*Current Affairs* December 7 & 21 1990, March 8 1991).

Webber Wentzel attorney Deon Nel (for Vorster) says his client will appeal against the finding. Nel says the SABC has acted in a "negligent and reckless manner" and that, "based on the available evidence, no reasonable person would come to the same conclusion."

In a letter to the SABC, Nel says that evidence presented to the disciplinary hearing by his client had not been rebutted. He says the conduct of the SABC has caused Vorster to suffer damage to his dignity and reputation.



Vorster short, high profile career

Eddie Botha

Fears of propaganda pressure on SABC

ARG 3/6/95

(260)

DAVID BREIER
Political Staff

THE SABC has revealed it wants huge amounts of finance from the government, increasing fears that the corporation could slide back into its old role of government propaganda mouthpiece.

Freedom of Expression Institute chairman Raymond Louw said that if the government financed the SABC, it could insist on air time as a *quid pro quo*.

Weekend Argus revealed last Sunday that the once cash-flush SABC, now styling itself as a public broadcaster, was about to plunge into the red and wanted taxpayers to fund it to the tune of almost R1 billion a year.

This week the SABC in submissions to the Independent Broadcasting Authority, gave notice it wanted 15 percent of its revenue to come from the government to replace an expected drop in advertising revenue.

This also follows the request by Deputy President Thabo Mbeki for the government to be given air time on radio and TV.

The government denies any intention of using air time for propaganda, but its intention is to communicate with people who cannot read.

But Mr Mbeki's request led to widespread concern that the government would inevitably exploit the opportunity to put itself in a favourable light in air time when it would not be subject to journalistic scrutiny.

The SABC has said it would not allow itself to be used for government propaganda.

But Mr Louw believes that if

■ Fears are growing that the SABC will revert to its old role of government propaganda medium as the corporation wants to beg hundreds of millions of rand from the government.

the SABC has to go cap-in-hand to the government for revenue, it would be in a weak position to resist demands, because "he who pays the piper, calls the tune".

Mr Louw said the SABC should not be funded by the government and subject to the whim of politicians. Rather it should be funded by the state — a significant distinction, he said.

The Freedom of Expression Institute has proposed to the IBA that the SABC be funded by the state in a way that was free of government interference.

This could be done by adding a "state levy" of, for example, R200 a year to all taxpayers unless they did not own a TV or radio set. The penalty for lying would be high. This would amount to a more effective way of collecting licences, Mr Louw said.

Such a policy would be a multi-party decision and would not give the government any greater call for air time than any other party, Mr Louw said.

"We believe it should not give the government the right to use the public broadcaster as a propaganda medium," he added.

But if there was a government handout, this would create a dangerous situation as the govern-

ment of the day would vote on the subsidy every year, giving it the power to say "we are paying the piper so we should call the tune".

Mr Louw said there may be a case for all parties to have free air time — but he suggested "it would be so unutterably boring, it would hardly be viewed and would fall away".

Mr Louw said hotels should have to pay the state levy for every room with a TV or radio.

He said there were about 4,5 million TV sets in the country and about 4,8 million taxpayers — roughly one set per voter.

He said that with affirmative action, the number of taxpayers would grow, increasing the base for a state levy to fund the SABC without having to increase the levy.

Mr Louw said the SABC should be funded by the state and not by advertisers, so it would not be subject to pressure by advertisers.

He said the SABC had already bowed to pressures from big advertisers over the issue of the use of Afrikaans on TV, and it would be subject to similar pressure on other issues as well.

"In our evidence to the IBA we suggested there be no advertising on the public broadcaster because that means it is not serving the interests of the public but of advertisers," he said.

Advertisers were concerned about reaching an audience and wanted the programmes that carried their ads to have the maximum number of viewers.

"We believe that is contrary to the principles of public broadcasting," Mr Louw said.

More Eskom stock in foreign hands

Mungo Soggot

(260)

BDS/6/95

FOREIGN holdings of Eskom stock had increased since the abolition of the financial rand, a signal of robust confidence in the post-finrand SA, Eskom said.

Eskom executive director, finance, Willem Kok said last week that following the finrand's scrapping, Eskom had bought back only R60m in stock held by foreigners — out of a total pool worth about R12bn.

The proportion of foreign holding of Eskom stock remained at about 51%, but there had nevertheless been an increase.

Analysts said there had been fears that the end of the finrand would make foreign stockholders take their money and run.

Standard Bank said "the expected knee-jerk weakness in the bond market did not materialise". Instead the market strengthened and the finrand had offered a "yield sweetener" as bonds were bought with the financial rand and interest rates tapped with the commercial rand.

SA had one of the largest and most liquid bond markets and was the best performer among emerging market bond markets.

One analyst said that during the debt

standstill government had not marketed its bonds — which make up more than 70% of the market — whereas Eskom had built up a solid investor base dominated by private non-speculating individuals, many of whom were German.

A Reserve Bank spokesman said about 3% of government bonds were held by foreigners at the beginning of the year. As most of the foreign holders bought through nominee companies it was difficult to separate non-resident transactions from resident transactions.

Standard Bank said about 25% of Transnet stock was foreign-held while Telkom stock, like RSA stock, had very few foreign holders. In all, foreign dealings made up about 20% of domestic turnover.

One analyst said that since the abolition of the dual currency system, foreigners had been net purchasers of bonds to the tune of R106m, according to JSE statistics which were a reflection of less than half of the bond market.

The Bond Market Association has only recently started publishing figures for non-resident activity in the market.

Azapo slams privatisation plans

(260)

(S)

CT 5/6/95

JOHANNESBURG The Azanian People's Organisation has lashed out at government plans for the privatisation of state services and enterprises

Azapo president Mr Mosibudi Mangena told a press conference here yesterday "it is clear to anyone that the call by Finance Minister Mr Chris Liebenberg for the government to sell profitable state enterprises is a trick to make rich whites, who have money to buy these, even richer".

At the press conference Mr Mangena also announced the expulsion of a senior Azapo leader

He said former Secretary for Community Development and Projects Mr Julius Landingwe was axed for failing to withdraw from a Cape Town local government sub-structure as demanded by the organisation

Background to airtime decision

(260) *Sowetan* 5/6/95
■ RIGHT TO KNOW Masses

By Thami Mazwai
National chairman,
Black Editors' Forum

must get the Government message



Percy Qoboza



Joe Thloloe

THE DECISION OF the Black Editors Forum to support the Government's request for free airtime has set the cat among the pigeons. The editors who took the decision last month are seasoned professionals, each with at least 15 years experience.

In addition, we braved teargas, assaults, kidnappings and worse. Some of us were in detention and/or jail for the right of South Africans to have a Press free of interference by Government or other power blocs.

Some of our colleagues died, others went into exile, others were injured. Vuyiswa Mhlawuli, for example, lost the sight in one eye. We even had to fight our bosses over discriminatory practices in the media, their suppression of news of police atrocities and so-called revolutionary or inflammatory news, and their bias against black political activity.

Black journalists could not belong to a political organisation or support political activity at a time when white journalists could vote in every election and were called up for military service.

In 1978 black journalists protested in Johannesburg against the detention of journalists Percy Qoboza, Aggrey Klaaste, Willie Bokala, Gabu Tugwana, Moffat Zungu, Joe Thloloe and Mike Mzileni had been detained without trial for several months.

During the march we were arrested and jailed for two days. On being released, our employers condemned us. This at a time when protesting the detention of journalists was fighting for Press freedom, something they professed to hold dear. And, believe it or not, we had to forfeit two days wages or two days leave.

I am recalling the past because journalists interviewing me on our decision to support the Government request, insinuated that we were selling out.

Everyone should know where we come from and how deep our commitment to Press freedom is.

We are not suggesting that the ANC be given a blank cheque, but let us not react as if it wants to scrap the Constitution and form a one-party state.

Let us now look at the request and place it in context. Press freedom has over the years faced specific threats. Today's threats are Government, political organisations, trade unions and their federations, journalists, public indifference and the media conglomerates.

As Press freedom is one of the entrenched clauses of our interim Constitution, we have little to fear from Government. Leaving the other threats out for my purpose this time round, as it is debate for another day, the current threat to Press freedom is media conglomerates.

Not because they are conglomerates, but because they are still controlled by the very people who controlled them yesteryear. There is no black shareholding and few blacks hold senior management or editorial positions.

Black views and aspirations are therefore not reflected in the media, except for publications like *City Press*, *Sowetan* and titles generally aimed at blacks.

People who called our organisations terrorist groups still control the main media. Can we now expect them to give fair coverage now that one of these is the bigger component of our Government?

Downright hostile

At best, some editors become very condescending when they talk about this black government and what it is doing. Others are downright hostile. In all fairness, one or two white-controlled newspapers are trying to be part of the times.

The antagonism above is not surprising, attitudes do not change overnight. All of us fear the unknown. It is going to take a long time for attitudes to change, particularly in the media.

Another complication is that the media highlights the most controversial story which is not necessarily the most important one. This is natural as a publication, radio or TV station must make money.

Another reality is that the print and electronic media cannot give sufficient detail to most stories because of

SPECIAL!
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space or time constraints. Thus, the detail needed on bread-and-butter issues is lacking.

We cannot leave this to continue, not when there is anxiety on the ground that nothing is being done for the people. Things are happening but do not get into print because of the above complexities.

If not properly addressed, this anxiety and restlessness will threaten our fledgling democracy and fragile stability.

It is our right to know what Government is doing. For the Government to deny this is to deny the people's right to know.

SABC delays relaunch of TV until next year

CT(Re) 6/6/95 (260)
BY LOUIS DE VILLIERS

The South African Broadcasting Corporation has delayed the relaunch of its three television channels until February next year.

The corporation had been planning to unveil its three new channels by October this year, said Gert Claassen, the SABC's head of operations.

But the need for time to consult with interest groups, as well as the need for additional research, had prompted the extension of the deadline, he said.

One of the interest groups which will be consulted extensively is the advertising industry.

"We have suggested an alternative funding model for the SABC. Until the IBA or the government,

however, agree to a funding plan, everything remains status quo.

"That means that, until such a time, the SABC will be reliant on advertising for its funding," Claassen said.

The advertising industry will no doubt welcome the SABC's decision not to rush into untested waters, which may render sections of the South African population unreachable via television.

Tony Banahan, Lindsay Smuthers FCB media director, said: "I have no doubt that there will be a lot more changes before there is agreement on channel structure."

"At the same time, I am relieved that there will be considerably more thinking and consultation before any rash decisions are made," Banahan said.

Govt's wish for air time under scrutiny

The Government's wish for air time on radio and television to put across its message is expected to be discussed at today's meeting of the SABC board, which is two members short of a quorum after recent resignations.

Yesterday, the ANC used its parliamentary majority to push through the nomination of two journalists to fill the vacancies.

'Sympathisers'

There was opposition in Parliament by MPs who described the two as ANC sympathisers. They are Allister Sparks, former *Rand Daily Mail* editor and now director of the Institute for the Advancement of Journalism, and the Natal Witness deputy editor Khaba Mkhize.

Mkhize is known to be politically nonaligned, but Sparks was on the ANC's list for Parliament. He withdrew a few weeks before the election.

On the controversial issue of the Government's wish for air time on both radio and television, Deputy President Thabo Mbeki has said the "time has come to seriously consider the entire Government communication function".

He has denied that the Government had "any intention secretly to manipulate the public broadcaster for propaganda or any other purposes, as happened in the past".

The SABC board is down to fewer than 21 members, the minimum required for it to be legally

constituted, and will not be able to take any binding decisions at today's board meeting.

The board can have a maximum of 25 members. Since it was appointed two years ago, the board's membership has whittled down because of resignations.

The proposal that Sparks and Mkhize be appointed to the Board will go forward to President Mandela today. Public hearings will be held to fill the other three positions. The nominations did not come in time to save today's meeting, which will take the form of a non-binding information meeting.

According to Saki Macozoma, chairman of the parliamentary select committee on posts, tele-

communications and broadcasting, the ANC proposed in yesterday's committee meeting that five of those who were proposed in 1993, but who were rejected by the then president F W de Klerk, should fill the vacancies. The proposal came in for strong criticism from opposition parties.

Compromise

The nominations of Sparks and Mkhize was a compromise proposal.

De Klerk denied yesterday he had opposed the appointment of those people who he had originally vetoed, saying he was "not involved in the process of considering persons for appointment to the SABC Board".

(260) stan 7/16/95

Row over candidates for SABC

Some say 7/6/95 (260)

Opposition parties argue against two nominees with ANC leanings standing for the SABC board

A ROW BROKE out in Parliament yesterday over the nomination of two men — described by the opposition as ANC sympathisers — to fill vacancies on the SABC board without going through a transparent selection procedure.

After a lengthy debate by the National Assembly Portfolio Committee on Communications, the ANC used its majority to outvote opposition parties by nominating former Rand Daily Mail editor Mr Alistair Sparks and Natal Witness assistant editor Mr Khaba Mkhize to the board.

While Mkhize is not politically aligned, Sparks was on the ANC's list for Parliament but withdrew before the election in April last year.

The opposition argued the decision rode roughshod over the minority parties, even though the decision represented a compromise on an earlier ANC proposal that all five on a shortlist should be immediately appointed.

Democratic Party MP Ms Dene Smuts's proposal that the vacancies should be filled by a multi-party sub-committee after public hearings — similar to the procedure carried out by an independent panel two years ago — was partially accepted by the ANC.

The ANC argued that because the SABC board did not enjoy a quorum at present it was urgent that two members should be appointed and the remaining three could be selected in terms of the DP's proposal.

Apart from Sparks and Mkhize, the rest of the shortlist consists of Deputy President Thabo Mbeki's brother Moeletsi, Mr William Rowland, who was on the ANC's election list and Dr PH Ndlovu.

The National Party's Mr Martinus van Schalkwyk argued that circumstances would have changed since the panel had selected a larger list of 82 — including the shortlist — and the whole procedure of selection should be re-examined.

Govt's airtime request referred back to SABC

The Government's request for airtime to broadcast its point of view has been referred to an SABC board sub-committee which is scheduled to meet next week, well-placed sources in the corporation said yesterday.

The board was unable to take any legally binding decisions yesterday, because it currently numbers fewer than the 21 members necessary for it to be legally constituted — Staff Reporter

Members of a parliamentary committee are to use their constituency allowances to travel to the Northern Cape to investigate the land dispute between the Lohatla

community and the SANDF, after the Speaker had turned down an application for funds — Sapa

The Cameron Commission has written to the Cabinet for advice on whether to investigate allegations that South Africa is supplying arms to Rwanda. This follows a request last week by Rwandan ambassador Ben Karenzi — Staff Reporter

The SANDF had made a R6-million loss after a 1992/1993 covert overseas deal went awry, the joint public accounts committee heard yesterday — Sapa

Jordan against government time on SABC

Adrian Hadland

(260)

BD 9/6/95

CAPE TOWN — Broadcasting Minister Pallo Jordan signalled his opposition yesterday to the idea of government time slots on the SABC.

He told the National Assembly that while there was an obvious need for effective government communication with the public, it was imperative that the boundaries between government information services and public service broadcasting remained "clear and very distinct".

Deputy President Thabo Mbeki confirmed last week that government had approached the SABC on possibly securing 30-minute slots on television and radio to disseminate government information.

In his budget debate, Jordan said the negative public response to the proposal had been "unanticipated" and had forced a reassessment of the idea. The effect of the proposal had been to break down citizens' confidence in the impartiality of SA's public broadcasting service.

Much effort was being put into ensuring that SA produced a credible and impartial public broadcasting service that would enjoy the trust and confidence of all citizens.

"I think it would be unwise to jeopardise this enterprise with ill-advised projects,"

Jordan gave further details yesterday of the draft Public Broadcasting Services Bill, to be introduced to Parliament soon. The Bill, which sets out a framework for the operation of national, provincial and local public broadcasting services, would be circulated for public discussion.

He said it would ensure that all public broadcasting channels were independent from direct state control and were not used as propaganda mouthpieces of central, provincial or local government.

Any province or municipality hoping to exercise its constitutional right to establish broadcasting services should not expect state funding for the enterprise, Jordan warned.

The Bill would set out standards and obligations for a public broadcasting ser-

Continued on Page 2

SABC

Continued from Page 1

(260)

BD 9/6/95

vice, including its independence from any organ of government or political party.

The service should also be free from undue commercial influence; provide education, information and entertainment; reflect the composition of society in its em-

ployment practices and avoid the stereotypical characterisation of individuals or groups, he said.

A wide range of programming, the display of SA talent, the enhancement of the flow and exchange of information, and the reflection of SA's linguistic, cultural and spiritual diversity would all be necessary in the new service.

Broadcast Bill will 'curb propaganda'

ARC 9/6/95

(260)

Political Correspondent

PALLO Jordan, Minister of Posts, Telecommunications and Broadcasting, has unveiled details of South Africa's future national public broadcasting service

A bill to set up the service would be tabled soon, Dr Jordan told the national assembly yesterday

The bill would ensure public broadcasters were free from direct state control and would prevent their use as propaganda mouthpieces for the state

The board of each national, provincial and local public broadcasting service would be appointed by a transparent process of public nomination

Obligations in the bill would include that a public broadcasting service would have to

- Work independently of government or political party,
- Function without undue or improper interference from commercial interests,
- Provide education, information and entertainment, except where the service was set up for education only,
- Be "distinctly South African" by making use of local programming,
- Ensure staff reflected the composition of society, and
- Avoid characterisation of

people by unjustified racial, ethnic, gender, sexual orientation or other stereotypes

Dr Jordan said the national public broadcasting service would have to provide programmes in all official languages nationally on an "equitable and reasonable" basis.

A public broadcasting service set up by a provincial government would have to provide programmes in the official languages of that province

If a local government set up a public broadcaster, it would have to use languages spoken by a substantial number of people in the area

Dr Jordan said public broadcasting services should promote the development of South African expression by reflecting a wide range of attitudes, opinions, values and artistic creativity

The service should provide information and analysis about South Africa and other countries from a South African point of view.

South African talent should be displayed in entertainment programmes

Other duties would include providing reasonable access to communities who would be otherwise voiceless, and providing programming "accessible to disabled people"

TV licence fees on the way out

POLITICAL STAFF

260
25/9/95

THE government is set to scrap television licence fees, Parliament heard yesterday

Introducing his budget debate in the National Assembly yesterday, the Minister of Posts, Telecommunications and Broadcasting, Dr Pallo Jordan, said the scrapping of fees was part of a broader project to establish the SABC as a viable national public broadcaster

"Public broadcasting is currently funded through a combination of advertising revenue, government subsidies and licence fees," he said

"Experience elsewhere suggests the licence fee system is not an ideal mechanism for generating funds for public broadcasting.

"It is not a particularly efficient, effective or popular mechanism. As the national public broadcasting system gains momentum, I intend to actively support a process of seeking alternative mechanisms for public contribution."

Govt to scrap TV licences

(260) Star 9/6/95

■ BY PATRICK BULGER
POLITICAL CORRESPONDENT

Cape Town — The Government plans to scrap the unpopular television licence fees, Parliament heard yesterday.

The move to scrap the fees is being promoted at the highest levels of government and has the support of Posts, Telecommunications and Broadcasting Minister Pallo Jordan.

It dovetails with the SABC's stated intentions to seek funding from the public purse rather than through the cumbersome licensing system.

Introducing his budget debate in the National Assembly, Jordan indicated that the scrapping of fees was part of a broader project to establish the SABC as a viable national public broadcaster.

He also indicated that the Government's proposal to ask the SABC to give it television and air time to put across its views was being rethought.

He said that while there was a need for effective Government communication, it should be done through Government channels, independent of the public broadcaster.

Jordan's comments on licence fees, read against the widespread non-payment of fees, indicate the licence system will soon be scrapped.

"Public broadcasting is currently funded through a combination of advertising revenue, government subsidies and licence fees. Experience elsewhere suggests the licence fee system is not an ideal mechanism for generating funds for public broadcasting," he said.

In submissions to the Independent Broadcasting Authority in April, the SABC proposed several options to generate revenue for the corporation in lieu of licence fees.

Options included a levy on vehicle licence fees, income tax or PAYE, or on the domestic use of electricity.

BROADCASTING

Shotguns against satellites (260) FM 9/6/95

As the IBA itself grows and consumes more of our money, it falls further and further behind



Week after week, month after month, the Independent Broadcasting Authority (IBA) goes stolidly about its task of creating what co-chairman Peter de Klerk calls a new "landscape" for the

broadcasting industry. Existing and would-be broadcasters are summoned before it to make public presentations of their case for a right to the airwaves — and, in the case of the SABC, for a right to dip far deeper than hitherto into the public purse.

The cost to the taxpayer is considerable. During its first year of operations that ended on March 31, the IBA spent about R16m — and that was on a staff which only in the second half of that year began to grow apace. By now it numbers 60 — apart from eight councillors costing over R200 000 a year each — and could well, says De Klerk, reach 100 before the end of the IBA's second year. This year's budget could top R40m. And almost all of it is going on a futile exercise. There is no internal consistency in what the IBA is trying to achieve.

That is not all the fault, of course, of De Klerk and his council colleagues, though they could have thought more deeply about the proposed task before taking it on. The blame must rather be put on the lawyers who drafted the Bill, and on the broadcasting and press representatives with whom, says one of the lawyers, David Dison, there was "massive consultation." The Bill, he says, went through 17 drafts before it was offered to parliament in 1993. The result is, he insists, "a consensus Act."

For all that, it is a work of stunning technical and commercial naivety. De Klerk claims the IBA is "in material respects" following the guidelines established over decades by broadcasting regulators in other countries. But the real issue is not what has been done elsewhere in the past, but whether regulation of broadcasting, as distinct from merely allotting airwave frequencies, is possible in a rapidly changing technological landscape.

The IBA Act's declared aims make it clear that its drafters were unaware of that. Instead of taking steps to destroy the

SABC's near-monopoly of the airwaves and opening them up in well ordered fashion, the Act wants a broadcasting industry that will, "viewed collectively, develop and protect a national and regional identity, culture and character... protect the integrity and viability of public broadcasting services... encourage ownership and control of broad-

casting services by persons from historically disadvantaged groups, encourage equal opportunity employment practices by all licensees... ensure that broadcasting services are not controlled by foreign persons... impose limitations on cross-media control of private broadcasting services... ensure fair competition between broadcasting licensees... encourage investment in the broadcasting industry."

So far the IBA has concentrated its attention on "the integrity and protecting the viability of public broadcasting services" and bringing into existence a community broadcasting industry. That's not what the original Act said it should begin with. It was categorical on the matter: "The Authority shall, as soon as may be reasonably practicable after the commencement of this Act and before any application for a new broadcasting licence is considered in terms thereof, prepare a frequency plan whereby the maximum number of frequencies available for broadcasting services is determined."

This was amended soon after it was passed to allow the IBA to begin immediately calling for, and granting, applications for community licences. At the same time, the IBA began wrestling with the problem of the frequency spectrum.

De Klerk admits to understanding little about the crucially important issue of frequency availability, even

as conventionally defined. Nor, seemingly, does his co-chair Sebileto Mokone-Matabane, since she is not among the councillors he names as having technical expertise. These are Prof Christo Viljoen and Lyndall Shope-Mafole, and one wonders why they have not made clear to their colleagues the

extent to which the airwaves can already accommodate many more broadcasters (see box). Even before taking into account new and rapidly developing satellite and digital technologies, it is quite obvious — and De Klerk admits it — that there are at least as many radio and TV frequencies available as there are organisations who could finan-

cially afford to occupy them. If that is so, then the only proper task for a body such as the IBA should have been allotting them in an orderly fashion.

Instead, the IBA has been given the power to make recommendations to government concerning the public broadcaster's financial means of survival, and therefore the kind of programming it should have.

For the past several months, the IBA has been engaged in what it calls "the triple inquiry" — determining what public service broadcasting's mandate, infrastructure and mix of revenue sources should

be, investigating the issue of cross-media ownership, and determining what local-content obligations should face all licensed broadcasters when it comes to music.

The biggest task, says De Klerk, is the viability and protection of the SABC and whatever other organisation gets included as a public service broadcaster. He recognises that technological developments "make this very difficult" if public service broadcasting is still to rely predominantly on advertising revenue.

No-one can forecast with accuracy what advertising revenues the SABC will win when faced with competition from community and private TV and radio stations, let alone those beamed up to satellites and down into this country from elsewhere.

De Klerk says the IBA is entitled to revisit public service broadcasting, if necessary changing its mandate and digging even deeper into fiscal receipts to keep it financially afloat. The recommendations the IBA is about to offer Minister Pallo Jordan (and which De Klerk believes will be accepted by him and parliament, since "you don't buy a dog and then do your own barking") are not expected to remain viable beyond the next couple of years at most, he says. At which point, the IBA will begin the same wearisome business all over again. They really have got themselves a nice job.

"Experts believe you must keep support-



Mokone-Matabane



Jordan

LEADERSHIP

Understand the vultures

The greatest gift of any statesman, wrote Metternich, rests not in knowing what concessions to make but in recognising when to make them. His adage might easily be adapted to form a guide to political utterances: it is not so much what you say, as how and when you say it.

President Nelson Mandela's intervention in the Shell House shooting debate — admitting that he instructed ANC security guards to defend the party's headquarters against belligerent Inkatha marchers ahead of last year's elections, even if it meant killing some of them — adds to a fairly long trail of injudicious statements.

As most sensible observers came to realise after the initial hysteria, the substance of Mandela's remarks about Shell House was hardly crisis material. The point is not whether the party leader told his security men to take hard defensive measures, but whether those guards were justified in shooting when they did. Evidence suggests that they exceeded the bounds of self-defence and would have done so with or without Mandela's instructions.

Those journalists and commentators who have enjoyed stirring up the latest "crisis" have not yet realised that Mandela does not always speak like a politician.

Sometimes he says simply what he feels, even if that might conflict with the cold parameters of party policy. Suddenly he will begin to muse publicly, or depart from a prepared speech to make a startling remark. He was adored by the rugby crowd at Newlands precisely because he is not a party hack or a boring committee man.

Politicians, as a species, cannot afford the luxury of spontaneity. Very few can seduce the electorate with

personality, as can Mandela — or as a Churchill, a Reagan or a De Gaulle did. Instead they must deal in policies, and that demands much subtle phrasing, manipulation of nuance and covering of tracks. Professional politicians like Nat leader F W de Klerk and DP leader Tony Leon understand this. Always conscious of the need to placate party factions, they are at home with ambiguity. Even their language of attack is calculated. For them, credibility depends on being perceived to be consistent, even if they are not.

Like General Constand Viljoen, his temperamental soul-mate in politics, Mandela cannot be bothered with all this, at least not all the time. Recently the President questioned the personal integrity of his Minister of Home Affairs, Inkatha leader Mangosuthu Buthelez. Then he threatened intemperately to "crush" dissent in SA (shades of John Vorster and P W Botha), and this week he stopped off in Johannesburg to show "solidarity" with marching Cosatu unionists and to "bless" them. What can this mean? Before the 1994 election he suggested, in apparent seriousness, that the minimum voting age be reduced from 18 to 14.

Mandela's public image has survived it all. He is a Nobel laureate and the most admired statesman of our age, an icon of integrity, candour and conciliation. While his political career began when he was a young lawyer, his first term of public office began half a century later. Unsullied by years in politics, his heroic status is impervious.

But his colleagues in party and government are ordinary mortals. For their sake, the President must stick to the text on volatile issues. As he must know by now, his every word is picked over for meaning, as if by vultures. ■

THE JSE

Threat to shareholder democracy

Back in the Sixties and Seventies, in the fight to make the JSE more accessible — and equitable — to small investors, one of the battle cries was that all shareholders should be equal. In particular, controlling shareholders should not be allowed to sell control of a company on terms more advantageous than those offered to minorities, and all shares should have equal voting rights.

In those days, a number of companies were controlled through a small minority of voting shares, leaving the majority disfranchised, even though their investment was just as much at risk. Aided by pressure from the JSE and the institutions, most of the offenders gradually relinquished these feudal rights, the exception being Anglovaal.

In recent weeks, however, two groups have proposed reviving this invidious practice, though through low-voting rather than nonvoting shares. In both cases, it's wrapped up with noble sentiments like "improving marketability" or "creating more opportunities for expansion," but these are

really hogwash. The truth is, it's all about entrenching management in its place and ensuring that, if the shareholder body should turn hostile, it cannot exercise the ultimate sanction of throwing management out. Control is frozen, even if those who exercise that control turn out to be incompetent stewards.

The practice is simply not permitted by most leading bourses, and nor should it be. Even apart from the fact that at this stage of the transition we should not seem to be making the JSE more elitist than it is in the eyes of local investors, this is not the sort of thing to impress the foreign investors we're trying so hard to attract.

The JSE's new listing requirements (other aspects are discussed in *Fox*) regrettably endorse this practice, provisionally. It's not clear why, in principle, low voting rights should be more acceptable than no voting rights, when the result is the same: less power for small investors. One share, one vote is the spirit of the age. ■

ers' radios permanently tuned to your station, or lose them to competitors," says aspirant community broadcaster Pat Rogers. He estimates the monthly cost of doing so for a local radio station at about R100 000 — and that doesn't include the cost of advertising the station, commissioning audience research and selling advertising. De Klerk admits that many of those recently given temporary licences will not be around in a year's time to re-apply for four-year ones. That's been the history of local radio in the US, he observes.

It's also been Britain's experience, says Penta Communications MD Roger Garlick. Within about five years of local radio's start-up there in the late Seventies, there were close on 200 stations. Since then the number has at least halved.

Indeed, one wonders whether the IBA, for all its protests of good intention, really wants community broadcasting to succeed. It is, in De Klerk's words, "very chary" of granting a community licence for broadcasting to more than a small geographic area. That is despite a community being definable in either geographic terms (that is a town) or shared interests and outlook.

Rogers, for example, aims to broadcast to those offended by the replacement of Radio SA by SAfm — "the over-50s approaching or in retirement, and broadcast to primarily in English." To get a licence he thought it worth adding a qualification: "living within greater Johannesburg."

He was probably wise to do so. De Klerk says the IBA wants the community addressed by the station to be actively involved in operating the station.

That requirement could, of course, be met if it had offices in more than one centre. De Klerk's response, however, is to point to the Act's call for "diversity".

Moreover, he adds, "a national community radio service would have to be run on commercial lines to make it viable." By that, he means he and his colleagues don't believe local broadcasting run for a profit would satisfy community interests, when it came to programming, as well as stations run essentially by amateurs would. That is why community stations may, in terms of the Act, make a profit but not distribute it — an astonishing bit of commercial naivety from a group of lawyers.

A profound distrust of financially powerful media owners — whose success has been achieved by meeting market needs better than others — becomes evident, too, in a discussion of cross-media ownership. Asked why there should be any restriction on it, De Klerk replies that if there were not, the little guys wouldn't get a look in

because of the financial power of the big fellas. And if the IBA does allow the large nonbroadcasting media owners into commercial broadcasting, and if they do prove so successful in the marketplace, why then, the IBA will simply have to adjust matters so as to haul them back "from time to time."



De Klerk

Advertising agency media planners are observing all this with some impatience. "Advertising agencies plan a minimum of six months ahead," says Lintas Media Initiative's Chris Maloney. "None of us, of course, knows who's going to be around in broadcasting next year, wooing advertisers, so that inhibits our planning."

If he is impatient for the arrival of new broadcasting media, it is because the SABC is "under the control of idealists and social engineers and failing to provide what either its audiences or advertisers want. Public service broadcasting has been dying on its feet

for years. What motivates viewers and listeners is entertainment. I can't believe that even the emergent market is entertained by a programme on how to grow mealies."

De Klerk talks of achieving "an orderly landscape of broadcasting that will give us every opportunity to put into place and protect our own cultures and identity well enough before we are drowned in the invasion of other cultures through satellite TV." That invasion will soon begin with programmes bounced off a satellite into SA from Swaziland by African Satellite Entertainment. By next year it plans to offer 16 channels. Well before then, M-Net will

be offering 21 channels to subscribers investing in satellite receivers.

The IBA says it wants "to ensure that ultimately satellite broadcasting benefits all South Africans and does not unfairly discriminate against existing and new terrestrial broadcasters." Implicit in that statement is an acceptance that the SABC is going to face enormous competition. Which may be why government, which naturally wants to see the SABC survive if only to carry its own propaganda, is doing its best to dissuade viewers from turning to satellite transmissions by slapping huge import duties on the required dishes and receivers (*Information Technology* May 19).

The IBA Act, in short, was foolishly conceived and it is being foolishly executed. It has so far done nothing more than spawn an increasingly expensive bureaucracy in the form of the IBA, whose role looks ever more meaningless as technology surges.

Government, intellectually led by people who are stronger on socialist ideology than on satisfying markets, should backpedal fast. It should begin by deciding what it can afford to pay the SABC for providing genuinely needed services such as educational programmes (religious broadcasts can surely be provided by community radio). This should be added to the sums business has shown itself prepared to donate — and that should define and limit the SABC's responsibilities as far as public service broadcasting is concerned.

For the rest, the SABC should be seen as just one more commercial broadcaster, entirely dependent on advertising revenue (and probably fees from other broadcasters using its facilities) for providing news and entertainment in competition with others. Licence fees should be abolished. They have no moral basis given a wide choice of broadcasting services, and their collection is, in any case, highly inefficient.

Once the need to protect the public service broadcaster is thus removed, the role of the IBA need be no more than handing out and registering broadcasting frequencies.

That should cut its expenditure by well over 90%, releasing sums that would go much of the way to paying for all the SABC's public-service programmes.

Meanwhile, we have a broadcasting Big Brother that is enormously powerful but not authoritative. It also seems dangerously ignorant of technology; and determined to ignore commercial imperatives.

MORE THAN ENOUGH

The FM radio band, from 88 MHz to 108 MHz, can accommodate up to 204 stations in one reception area. SA could therefore have thousands of radio stations because FM frequencies can be re-allocated every 480 km. Moreover, the 204 stations capacity is likely to double because modern radios do not require as much space between channels to get clear reception. Limitations on frequency availability will virtually disappear once broadcasters migrate from analogue to digital technology. The latter enables each radio or TV frequency to simultaneously carry many signals (programmes). The use of satellites by broadcasters in neighbouring countries would be beyond the reach of SA regulation, though their transmissions were aimed at SA audiences.

BUSINESS

ELECTRICITY

Power struggle

FM 9/6/95
A strong difference of opinion has arisen between the Association of Municipal Electricity Undertakings (AMEU) and Eskom over the basis of comparison for electricity distribution costs.

AMEU president Howard Whitehead contends that the present four-tier pricing structure imposes an additional cost burden on customers of local authority distributors when compared with the equivalent Eskom customers.

The present structure starts with the cost of generation and any levy that might be placed on generation. At the next tier the transmission costs are added to the costs.

At the Eskom distribution level all these costs plus the cost of Eskom's own distribution operations, as well as the cost of its electrification programme, are carried by Eskom customers. Among these customers is the typical local government distributor, which must add its own distribution and streetlighting costs and a contribution to other municipal services. The customer of a municipal distributor must therefore not only carry the financial burden of local government but a share of Eskom's own distribution and electrification costs.

The proportion of these categories of Eskom's costs borne by customers of local governments is considerable, remembering that Eskom's sales to local government amount to more than 40% of the total. This burden is carried even though many large municipal undertakings are connected directly to Eskom's transmission grid and so bypass its distribution network. Municipal undertakings in this category pay 30%-50% more for their supply than their Eskom counterparts.

A rationalisation of pricing structures should be the National Electricity Regulator's first priority, Whitehead argues. Brave words indeed, but Eskom redistributor sector consultant Ken Campbell portrays the situation differently.

Campbell says the NER has convened work groups comprising the AMEU, Eskom and other representatives specifically to address issues such as ringfencing. That is the determination of the boundaries between generation, transmission and distribution of electricity.

Eskom denies the claim by the AMEU that larger municipal undertakings pay 30%-50% more than their Eskom counterparts. The price differentials are in fact 19%-30%.

Eskom is also concerned that an impression is being created that changes to come may afford AMEU members considerable price relief. Some large municipal undertakings could, to the contrary, see large increases if true costs were reflected in Eskom's tariffs and not countered by national cross-subsidies within Eskom's tariffs.

Considering that the NER is now busy with the task of establishing the conditions on which electricity undertakings may be licensed in future, its chairman, Ian McRae, has refused — perhaps wisely — to comment on this controversy. ■

Govt TV info spots slated by Minister

CT 13/6/95
POLITICAL STAFF
(260)

SPECIAL government television and radio slots were not a "smart" way to communicate with the public, according to Posts, Telecommunications and Broadcasting Minister Dr Pallo Jordan.

He warned that the SABC would compromise its independence if it agreed to the proposal and that this would fuel the political opposition campaign which claims the SABC is the voice of the ANC.

Dr Jordan was elaborating on earlier veiled criticism of a proposal by the South African Communication Service to the SABC. The proposal has been widely identified as the brainchild of Deputy President Thabo Mbeki.

In Parliament last week Dr Jordan, former head of the ANC's department of communication, referred to the proposal as being "ill-advised".

In an interview yesterday, he said: "If you want to tell people where to pick up a form or whatever, you take can take an advert in the papers, or on radio or TV. If you communicate about the election registration process, I don't think anyone would quarrel with that. Where people have a problem is the area of informing the public about what the government is doing or saying."

"I don't think from a pragmatic point of view that you would do it credibly by simply having a 30-minute spot on television or radio."

"Given the history of the country and the abuse of the public broadcaster by the state, that is going to remind people of all that and impair the credibility of the SABC quite seriously."

In making a decision on the issue, the SABC would have to consider what impact it would have on its own reputation and image.

The campaign by the National Party and the Inkatha Freedom Party claiming that the SABC had become the voice of the ANC would be fuelled by the SABC agreeing to the proposal.

Govt plan for TV slots not smart, says Jordan

Star 13/6/95

(260)

■ BY PATRICK BULGER
POLITICAL CORRESPONDENT

Cape Town — Special Government television and radio slots were not a "smart" way to communicate with the public, according to Posts, Telecommunications and Broadcasting Minister Pallo Jordan.

He warned the SABC would compromise its independence if it agreed to the proposal and that this would fuel the opposition campaign that the SABC was the voice of the ANC.

Dr Jordan's elaborated yesterday

on earlier veiled criticism of a controversial proposal by the South African Communication Service to the SABC. The SACS proposal has been widely identified as the brainchild of Deputy President Thabo Mbeki, and Jordan's criticisms have been interpreted as indicating divisions within the ANC on the issue.

Jordan recalled the abuse of the SABC by the previous government, and said the strategy to put messages across required a strategy such as holding press conferences, where these messages were open to scrutiny.

y June 15 1995

5

TV licences 'not about to be scrapped'

The Argus Correspondent

JOHANNESBURG — Television licences are not about to be scrapped, says SABC spokesman Ken Modise

He said Posts, Telecommunications and Broadcasting Minister Pallo Jordan was quoted out of context in press reports indicating licences could soon be scrapped (260)

This had led to uncertainty in the licensing department at the corporation as people were concerned about their jobs

Mr Modise's statement included Dr Jordan's comment that public broadcasters around the world had had difficulty collecting licence fees

He added that he would "actively support a process of seeking alternative mechanisms for public contribution"

But Mr Modise said the SABC and the Independent Broadcasting Authority (IBA) were considering various methods of funding the public broadcaster, but no decision had been taken

Options included a levy on electricity use

ARLT 15/6/95

SABC waits for board nominees

ET 16/6/95 (260)

SPECIAL CORRESPONDENT

JOHANNESBURG: The SABC Board was waiting for President Nelson Mandela to announce the names of two more board members before it could make a decision on the government's request for airtime, spokesman Mr Ken Modise said yesterday.

The board needs 21 members to make legally binding decisions.

"There are only 20 members sitting on the board and if any decision is made it can be challenged as being technically and legally not binding.

"The President has a list of pos-

sible nominees and we expect a decision soon," said Mr Modise.

SA Communication Service head Mr David Venter made the original request to the board to improve the government's ability to communicate with the public.

Deputy President Thabo Mbeki is known to support the idea.

However, a spokesman for the Ministry of Posts, Telecommunications and Broadcasting said the issue had not been widely discussed in Parliament.

"Minister Dr Pallo Jordan feels the government should not tamper with basic information channelled by the media," he said.

KwaZulu to 'replace' SABC

By JUSTICE MOHALE

THE KwaZulu/Natal provincial government has decided to set up its own public broadcasting corporation to compensate for what it calls the SABC's failure to cover the region's events and issues efficiently.

This was announced by KwaZulu/Natal Premier Frank Mdlalose, addressing an Independent Broadcasting Authority (IBA) inquiry in Durban this week. He also indicated his government intended to take over from the IBA the task of licensing and regulating the electronic media in the province.

Mdlalose claimed significant events and issues were not properly covered by the national broadcaster. He said his

government wanted to give exposure to provincial and national issues without bias or restriction.

"It is only then that this province will benefit from balanced broadcasting and expose the sharn prominence accorded to regions like Gauteng," he said.

Quality

Mdlalose suggested it was also necessary to establish a board to oversee the quality of a provincial government broadcasting service. He said the way in which this board was to be appointed would be decided by his government.

However, Mdlalose expressed his party's grave concern with the way in

which the SABC's board was selected. ■ Meanwhile, there are signs that Inkatha is pushing for the establishment of a provincial authority to take over the IBA's work in KwaZulu/Natal.

This was evidenced by the party's emphasis in its so-called "20-point plan" that the control and regulation of all broadcasters, public and private, was a provincial competency in terms of the interim constitution.

Inkatha has repeatedly indicated that it was poised to put pressure on the ANC-led central government to devolve this function to the province.

"I would hope that the KwaZulu/Natal province would take charge of the Durban SABC studios," Mdlalose

said

However, Inkatha secretary-general Ziba Jiyane has denied that his party's demands that the province "control and regulate media" related to the press in the region and said it did not want to censor or restrict the media beyond the scope of existing national legislation.

Airtime

Mdlalose's announcement comes hot on the heels of calls in some quarters of the national government that the SABC set aside airtime for official information programming.

It also comes after years of attempts by Inkatha to purchase Radio Zulu from the SABC.



FRANK MDLALOSE... KwaZulu/Natal wants its own public broadcaster.

Eskom project opened in Richards Bay

ARC 22/6/95

RICHARDS BAY. — Eskom chairman John Maree has officially opened the parastatal's newest and biggest electricity transmission sub-station at Richards Bay.

The Athene sub-station, with a capacity of 2000 Mw, will supply the Alusaf Hillside smelter — making it Eskom's largest customer receiving 800 Mw — and the Eastern Transvaal high-veld.

Dr Maree said the Athene project "was a symbol of the strong co-operation between the large players to support economic growth in the country".

Eskom chief executive Allen Morgan said the Alusaf plant would contribute one percent towards South Africa's gross domestic product and earn R1 billion in foreign exchange annually.

And 1 900 permanent jobs would be created, along with a further 30 000 in related industries.

Mr Morgan congratulated Alusaf on the development of the plant as it showed their faith in the economy and in Eskom.

Dr Maree said the sub-station was also part of a massive system to link South Africa and its neighbouring states through an electricity grid.

"The development of Southern Africa is going to depend on the sharing of resources and the sharing of knowledge within the sub-region"

He said the linking of all the countries of Southern Africa was slowly becoming a reality, and electricity was going to be a stimulus for the development of the sub-continent.

The promotion of the Southern African power pool would be of "enormous benefit to our sub-continent. Cheap power would allow us to

achieve growth rates not seen before in Africa".

Dr Maree said that although Eskom was the world's second cheapest electricity producer, it would continue to reduce the price of electricity by 15 percent through efficiency improvements.

"I am confident that with the resources and with the people we have in our country we will offer an improving life for our people, and we can build a country on par with the world community," he said — Sapa.

ESKOM (260)

Cold comfort

PM 23/6/95

It's an ill wind that doesn't blow somebody good — and, as in the case of electricity giant Eskom, the chillier the winter the bigger the uptake in capacity

Eskom CE Allen Morgan says the power utility is operating at about 20% above budget, which should see revenues for the year coming in at the R3,2bn level.

Given the increased growth rate, and increased demand on the system, Eskom is being prudent on managing capacity "We have kept our margins in terms of available capacity as low as possible, and if we go into a cold winter we can expect a fairly substantial growth on our peak"

Morgan sees Eskom's peak line at about 25 300 MW in a mild winter "If we have a very cold winter we can expect our peak to

BUSINESS

rise to about 26 000 MW."

The utility is now also working closely with the Department of Trade & Industry to launch an international initiative to attract investors. "We are looking at a broad range of industries, and again one must look at beneficiation. We do provide cheaper electricity and have various commodity-linked supply schemes available to foreign investors" Some interest has been shown in Eskom's foreign marketing initiatives "but we haven't got a firm paper on it yet"

Morgan's message to the market is that the business is "pretty sound. We do have our problems, but we are on top of them"

On the question of mothballed power stations, Morgan says that next year will see the commissioning of the first machine at Majuba "We will also start bringing back the Arnot station — we will bring back about four machines at Arnot next year"

But totally mothballed plant will only start coming back about 1997-1998

On the issue of nonpayment for services, Morgan says arrears are still increasing. However, what is positive is that the trend on the provision is coming down. "Last year at this time we were providing for R25m on a monthly basis. This is now down to R15m a month in provisions for bad debt. I don't see a drastic improvement until after the November elections"

"But what we have succeeded in doing is



Morgan . . . stemming the tide of nonpayment

stemming the tide and bringing the trend down. Masakhane has played a big role and, of course, cutting off poor payers is also a benefit to us at this stage"

Morgan admits that perhaps the cut-off policy should have been implemented earlier, but says the programme is certainly reaping benefits for Eskom

"At one stage we were averaging 20 000 disconnections a month. But once they pay

up we bring them back on line. If people want to come back on, we restructure the outstanding debt for them. We are reaching far better agreements now with civic associations — one of the main ones being the Soweto Civic Association. We have a good arrangement with them, we have good support from them. They are encouraging residents to pay for services"

He adds that all new connections — to date, about 800 000 — are now installed on the basis of prepayment systems

The electrification programme is "going well" and "under the circumstances" Eskom has connected more than 100 000 houses so far this year. Though its target for the year lies at about 300 000 homes, there are some areas which are still violent and Morgan admits "we have not been able to keep progress as we wished it"

The utility still hopes to connect a further 50 000 homes to meet projections by mid-year. And it is still confident that, in the six months left, it will be able to manage its targets before year-end

Referring to Eskom's affirmative action programme, Morgan says that a number of senior managers had taken early retirement — to date, about 50 — and they will be replaced by black managers.

"Our policy is to keep the skills in the organisation while we are progressing with affirmative action"

Afrikaans television station planned

AN Afrikaans television channel could be established soon by a group of Afrikaans business people and judges.

The scaling down of Afrikaans on television had led to the creation of the Victus Trust and the setting up of an own Afrikaans television station, trust chairman Eddie van Rensburg told a media conference in Johannesburg.

He said the channel could be established within a year. The trust would ask Afrikaners to invest between R100 and R100 000.

When a million people had in-

vested in the trust, the money would be converted into share capital to finance a public company television station. An investment of R10 000 had already been received.

(260)
Mr van Rensburg said broadcasts could extend as far as Europe and the Americas, with negotiations to date showing interest from overseas companies.

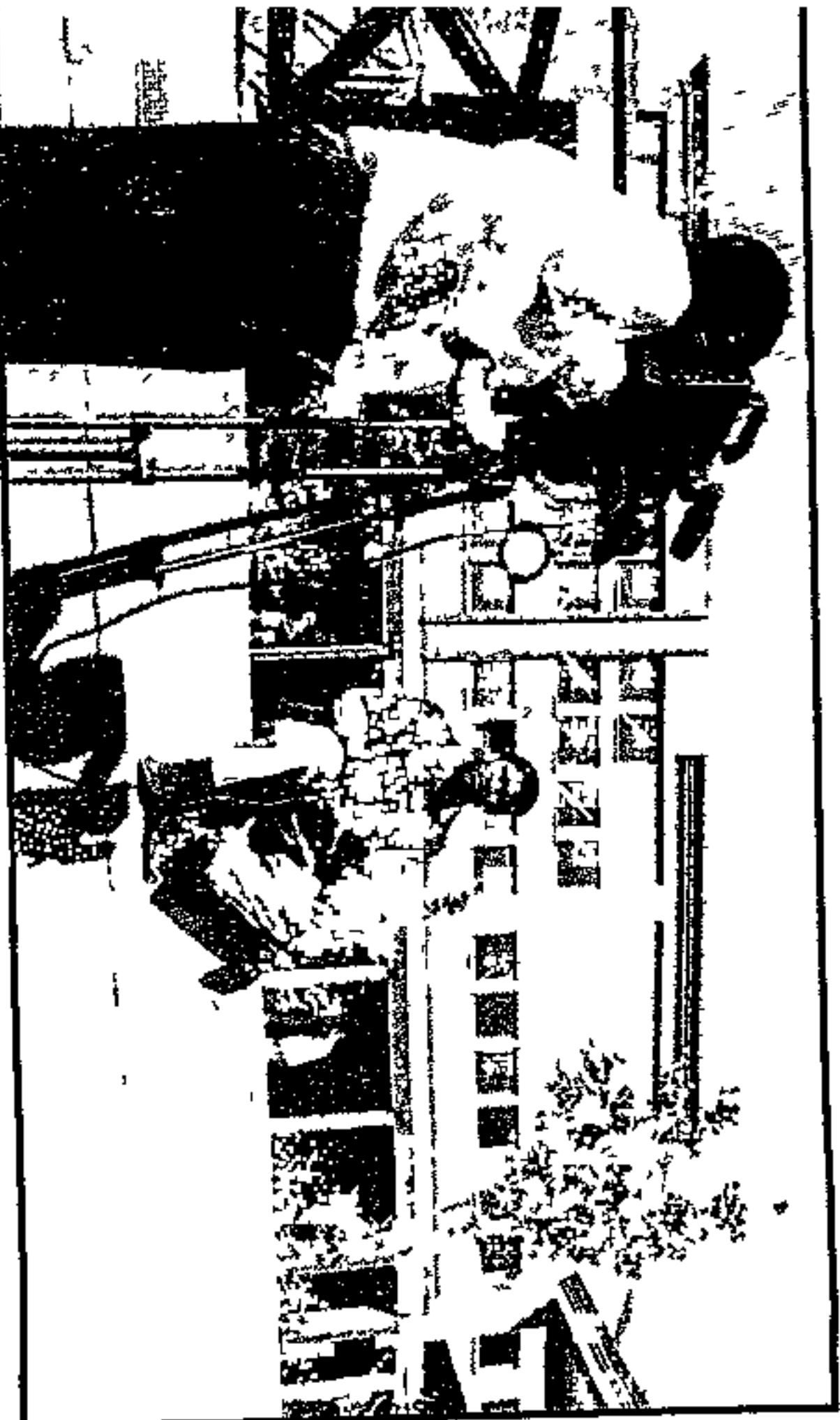
ARL 24/6/95
There were about 40 million people worldwide who understood Afrikaans, he said, including

those in Belgium and Holland.

Talks had already been held with the SABC, M-Net and the satellite television company US Network, with the possible aim of hiring channels or satellite time.

The project was a business venture to maintain Afrikaans in the electronic media. No politics or religion would be allowed, Mr van Rensburg said.

"We are past the oxwagon stage," he said, adding that modern Afrikaans programmes were needed for a modern world.



AND, ACTION! Willie Khumalo at the mike while Alfred Rasetele mans the camera at Alex's Sancopano Centre

Dream of a community TV station for Alex will come true soon

By PRISCILLA SINGH

Thami Sibisi is making waves in Alexandra, co-ordinating the township's first community television station, which should be ready to broadcast in September.

"It is a dream that has refused to die," says Sibisi, who has been involved in film and video projects since 1983, when he was part of a crew filming a burning bus in Alexandra, north of Johannesburg. They were arrested and their equipment and

footage confiscated

"I have always disagreed with the television coverage on Alexandra and long identified the need for a trained television unit in the township."

A member of the Film and Allied Workers' Union, he started talking to film-makers about starting a television station

With a dozen other people from Alexandra, he set up an area committee to initiate applications for a licence, find out what the community wanted and launch a station

"Now that the doors have opened up for us, we want to apply for our licence as soon as possible."

"There are so many things happening in Alex that one will never hear about on the SABC. We want to capture things that are important to people in their day-to-day lives and focus on issues important to our society," he says.

Filming in the township generated a lot of interest from the community. "When we explained that the township would

soon have its own television station, many thought that the SABC was going to move from Auckland Park to Alex.

"There are many people who are keen to contribute and be a part of the station once it is established."

The crew does not have a base to operate from, nor does it have any equipment or funds

"But we are slowly getting there," Sibisi says.

The Alexandra Community Television station has a production staff of 13 members who

trained at the Institute for the Advancement of Journalism in Parktown

Australian broadcaster Geoff Parish, who is in South Africa to train people for community television stations, worked with the group for three weeks

They went into the township, filmed and produced four film clips

"Alex is the first group I have worked with and they have done very well," said Parish

It was the first time that most members of the group had

picked up a camera or held a microphone, but the enthusiasm they displayed helped them overcome any learning problems, Sibisi says

"The four local news clips

they produced — on the home-brewing industry, sanitation, child abuse and voter registration — made very good stories and prompted the authorities to sit up and take notice of Alex.

"These videos will be a passport for their licence when applying to the Independent Broadcasting Authority."

(260) SPAN 24/6/95
**Afrikaners aim to set up
independent TV channel**

A group of Afrikaans business people and judges plan to set up an Afrikaans TV channel within a year because of the cutting back of Afrikaans on TV.

Chairman Eddie van Rensburg said yesterday the Victus Trust would ask Afrikaners to invest between R100 and R100 000. When 1-million people had invested, the money would be converted to share capital to finance a public company to run the station.

Van Rensburg said broadcasts could extend as far as Europe and the Americas. Interest had been shown from overseas companies. There were about 40-million people worldwide who understood Afrikaans, including those in Belgium and Holland.

Talks had been held with the SABC, M-Net and satellite TV company US Network. No politics or religion would be allowed.

The station would be open to all people regardless of race, religion, politics or background. Among members of the trust are judges M T Steyn, G A Hattingh and J W Edeling. — Sapa

1261

MONDAY, 26 JUNE 1995

1262

QUESTIONS

Indicates translated version.

For written reply

(260)
Jameson

Remuneration packages/staff establishment of management of State-owned corporations

126 Mr J A JORDAAN asked the Minister for Public Enterprises

Whether she will furnish particulars in respect of the (a) remuneration packages, inclusive of fringe benefits, and (b) staff establishment of the management of each State-owned corporation, if not, why not, if so, what (i) are the relevant particulars in respect of the remuneration packages concerned and (ii) what was the number of persons employed in the various posts in the management as at the latest specified date for which information is available?

N217E

The MINISTER FOR PUBLIC ENTERPRISES

This matter is the subject of intense discussions between the various Ministries concerned with a view to promoting a common approach in the light of the recommendation by Cabinet on the matter. Once such a common has been established and finalised it will be easier to provide a more comprehensive and appropriate answer

(a) and (b) (i) and (ii) Fall away

Shell House shootings

362 Mr A J LEON asked the Minister for Safety and Security

(1) Whether a meeting was arranged by the South African Police Service with a certain political party, the name of which has been furnished to the S&PS for the purpose of his reply, in connection with the contacting of witnesses to the Shell House shootings, if so, (a) for what date was the meeting

arranged and (b) who was to attend this meeting.

(2) whether the meeting actually took place, if not, why not, if so, what was the outcome of this meeting.

(3) whether any alternative arrangements have been made, if not, why not, if so, what arrangements?

N762E

The MINISTER FOR SAFETY AND SECURITY

(1) No The Minister for Safety and Security requested a representative of the IFP to attend a meeting. The meeting was called not only in connection with the contacting of witnesses to the Shell House shootings, but in connection with police investigations into the many deaths which occurred on 28 March 1994 in and around Johannesburg

(a) 23 May 1995

(b) Minister for Safety and Security, National Commissioner of the SAPS, General J G Fivaz, Divisional Head Crime Combating and Investigation, Lt Gen W Grové, Provincial Commissioner of the SAPS in Gauteng, Lt Gen D S Maharaj, Mr C Ramaphosa MP and Mr H M Ndlovu MPP. These individuals were informed that they could bring legal advisers with them if they so wished

(2) No Mr Ndlovu did not respond to the request to attend and did not arrive at the suggested time and venue for the meeting

(3) Yes, the National Commissioner of the South African Police Service has since addressed a letter to the IFP requesting assistance with regard to the police investigations referred to above

10
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3
10
20:26/6/98
Eskom, MWU to meet
ESKOM and the Mineworkers' Union would hold a meeting on Thursday, to try to avert clashes at power stations, MWU general secretary Peet Ungerer said at the weekend. An interim understanding on the meeting was reached after Eskom sought an interdict to prohibit union members from interfering with the country's power supplies because of a wage dispute. The MWU, unlike other unions involved, had rejected Eskom's offer of a 10% wage increase (260) (22)

Eskom acts on union

(260) CT 26/6/95

JOHANNESBURG: Eskom confirmed it had obtained a Rand Supreme Court interdict on Friday to restrain the Mineworkers' Union (MWU) from taking action that could jeopardise power supplies.

Eskom and union leaders will meet on Thursday to discuss the application.

Party sacks Chiluba challenger

(260) CT 26/6/95

LUSAKA: A prominent member of Zambia's ruling Movement for Multi-Party Democracy (MMD), who has declared he will challenge President Fredrick Chiluba for the party's leadership next year, has been expelled from the party.

MMD deputy treasurer Mr Dean Mung'omba was sacked from the party on Saturday night

together with his close associate Mr Derrick Chitala, who was the party's deputy national secretary.

Vice-President Godfrey Miyanda said they had brought the MMD and its leaders into contempt, ridicule and disrepute by disregarding party directives.

The youthful duo, who are both members of parliament in Mr

Chiluba's Northern Province stronghold, have been spearheading a campaign by the MMD's young generation, dubbed the "young Turks", for the removal of the "old guard" in the government, who they blame for the slow pace of political and economic reforms in the country — Sapa-AFP

Call for Afrikaans channel

(260)

■ BY MICHAEL SPARKS

Afrikaners hankering for a return to the good old days called a press conference at the weekend to appeal for an exclusive TV channel for Afrikaans

Sitting in front of the old South African flag, with the organisation's name emblazoned across in silver, five white men representing the Genootskap vir die Handhawing van Afrikaans objected to the raw deal that Afrikaans was getting.

General secretary Leon Strydom, who objected to Afrikaans being described as the language of the oppressor, said the organisation was calling on its members not to pay their television and radio licence fees

Deputy chairman Meinhard

Peters, sporting a Vierkleur lapel pin, said that the group had met with SABC deputy head Gert Claassen, where they had raised a number of issues, including the *Agenda* programme done by Max du Preez, which he claimed "attacked Afrikaans"

Peters said he refused to accept the decision of the Broadcasting Complaints Commission of SA which rejected complaints that the programme was biased, and wanted to know from Claassen if the SABC sought confrontation with Afrikaners

Peters also complained that Afrikaans was being mixed with black languages in terms of the new SABC proposal to the Independent Broadcasting Authority, while English was being treated as an anchor language on one channel

STAN 26/6/95

IDC seeks clarity about its 'merger'

Robyn Chalmers

(260)

31 27/6/95

THE Industrial Development Corporation was not consulted on proposals put forward by a government task team to effectively merge it with the Development Bank of SA, and has approached the team for clarity on the issue.

IDC GM Jan de Bruyn said yesterday he could not comment on proposals to set up a holding company which would control the IDC and the bank, as the corporation had not yet seen the confidential report.

De Bruyn said IDC management had approached the task team, headed by bank chairman Wiseman Nkuhlu, and expected to receive a copy of the report within days.

The report proposed that a powerful new holding company be set up, housing the IDC and the bank, to create a R16bn institution capable of mobilising private capital.

It recommended that the bank undergo significant changes to narrow its focus to the financing of infrastructure, shed its macroeconomic policy functions and change its name to the Infrastructure Development Bank to reflect its new focus.

In terms of the proposed holding company, the IDC and the new bank would continue to focus on their areas of expertise and concentrate on delivery, thereby retaining their institutional identities and operational independence. The report said guidance for the company could be provided by a joint policy committee within government.

"The two operating entities would

maintain their working relationship with their respective ministries and disburse funds according to their respective mandates through specified funding channels.

"Such realignment would create a powerful vehicle for placing the IDC's historically white-dominated wealth at the service of needy communities," said the report.

However, their borrowing functions would be transferred to the holding company, which would be responsible for approaching the capital market for funds on the strength of the new combined, diversified and stronger balance sheet.

The report shows that most of the financial muscle would come from the IDC, whose total net assets consist of R10bn compared with the bank's R5,98bn.

The IDC's long-term assets amounted to R8,87bn against the bank's R4,68bn, current assets were R1,77bn against R1,38bn for the bank and current liabilities R639m and R81m respectively.

In addition, the bank's borrowing base in terms of shareholders' funds would be boosted from R4,5bn to a combined figure of R12,1bn.

One of the main aims of the proposed tie-up was to minimise the need for future capitalisation of the bank by the fiscus.

"If the holding company proposal is not accepted, then the consequences for the bank are either to diversify beyond infrastructure, in which case it loses focus, or to accept the need for constant support from the fiscus," said the report.

Resistance to BD 27/6/95 pay disclosure

Tim Cohen (250)

CAPE TOWN (260) — The public enterprises department is resisting the publication of the management salaries of state-owned corporations for fear of "massive head-hunting" by the private sector.

The stance apparently runs counter to a Cabinet recommendation that management salaries of state-owned corporations should be published.

The ministry was responding to a parliamentary question by DP MP Kobus Jordaan who asked what each management employee of each state-owned enterprise earned.

In its formal response, the ministry said the matter was the subject of "intense discussions" between the ministries concerned, with a view to a common approach in the light of the Cabinet recommendation.

Ministry spokesman Douglas McClure confirmed the ministry was against the publication of the salaries. But he said it was considering publishing the salary ranges involved.

Sapa reports that the publication of the salaries has been delayed because of objections from the state corporations themselves.

The public enterprises ministry administration secretary Advocate Mdu-shane said the parastatals had objected for a number of reasons, mainly because there could a public outcry if the salaries of people in unprofitable parastatals became public knowledge.

(260) ARG 27/6/95
Zambian coal mine gets \$9,7million

LUSAKA. — Investec and the Industrial Development Corporation have granted a \$9,7 million loan to Zambia's single coal mine, Maamba Collieries. A Maamba spokesman said today it would save the mine from collapse. — Sapa

Mandela reviews his SABC powers

Political Staff

PRESIDENT Mandela is reviewing his power to appoint members of the SABC board following recommendations by the parliamentary portfolio committee on communications

This was said by Pallo Jordan, Minister for Posts, Telecommunications and Broadcasting, in a reply to a question tabled in the national assembly by Nationalist MP and former SABC-TV newsreader Cobus Dowry

Mr Jordan said the appointment in 1993 of the current board was among the most transparent and publicly accountable of any for the appointment of the controlling body of a public corporation in South Africa or anywhere in the world

Given the consensus locally and internationally over this process, it would be inconceivable that the board was, as suggested by several parliamentarians, ANC-dominated or politically biased in any other way

The current board had for the past two years sought consistently to move the SABC out of the arena of political dispute, and had done so as a collective initiative, irrespective of personal views and backgrounds

On Mr Dowry's question about a possible investigation into the portfolio committee's decision to appoint persons to the SABC board, Mr Jordan said the committee had made recommendations to the president on his power to appoint board members

This had arisen from a motion passed unopposed in the national assembly that the portfolio committee look at the matter

There had been nothing irregular about the manner in which the matter had been placed before the committee

He said he had been advised that President Mandela was giving serious consideration to the committee's recommendations

● Mr Jordan says he has no intention of dabbling in the affairs of the Independent Broadcasting Authority by probing the language preference of radio listeners and television viewers

Answering a question tabled in the national assembly by Marthinus van Schalkwyk (NP), Mr Jordan said responsibility for regulating no longer rested with the government

It was the domain of the Independent Broadcasting Authority which had been investigating language preferences and needs as part of its current inquiry into the future of public broadcasting

He said an extensive database already existed on language preferences among South Africans and it was not his intention to spend "taxpayers' hard-earned rands" to duplicate research already undertaken and available publicly

(260)
**Kaunda elected
to lead party**

LUSAKA: Former Zambian president Dr. Kenneth Kaunda was elected leader of his country's main opposition party yesterday, bringing the veteran politician back into mainstream politics.

Mr Kaunda, 71, ousted in 1991 after 27 years in power, polled 1 890 votes against his rival's 400 to become leader of the United National Independence Party, which he founded in 1958.

CT 29/6/95

Sapa-AFP-Reuters

WHEN Ivy Matsepe-Casaburri took over the South African Broadcasting Corporation chairmanship in July 1993, it was a bit like Mother Teresa being handed the keys to Heidi Fleiss's Hollywood cathouse. A diminutive, soft-spoken black woman in charge of all those regimented grey-shod white males who had run the corporation — of, for and by the folk — for a generation?

There were reports of objection, non-cooperation, disinformation, even obstruction. She laughs now — and the greatest achievement of the past two years in my opinion is that we have done so, no matter how we initially felt about each other. "The elections were the catalyst. We had to produce something we had never produced before, a credible performance as a national broadcaster. "We put aside our egos and for-

got our different histories and pulled together." She and the new board have been assisted, of course, by nearly 800 departures, redundancies and re-appointments since last July, allied to a determined programme of affirmative action.

The racial profile of the corporation has changed from 27 percent black in 1993 to 35 percent black this year. The target is 50 percent. Blacks already constitute a majority of top management.

But the transformation has not been, and still isn't, that simple. Advertisers have been unhappy with fast-tracking; there has been criticism of radio changes, figures show a dip in radio and TV audiences, if not in revenue. Nor has progress been made without some personal cost. She recalls two incidents.

JUST before the 1994 elections, during a heated TV programme featuring the Inkatha Freedom Party, pictures of herself and chief executive Zwelakhe Sisulu were flashed on screen.

"It was a highly dangerous thing to do, almost as though we were being targeted. It put our lives at risk. Zwelakhe had to get out of the house he was living in."

"I couldn't understand why the SABC had done it. Somebody said they didn't mean it, but it inflamed a tense situation and to me this is what professionalism is all about. You have to think of the unintended consequences of what you do as a reporter or editor."

The second incident was when the language issue burst on the scene last year. Afrikaans newspapers published her home telephone number and invited their readers to protest.

Nothing prepared her for the campaign of harassment, much of it racist, which followed.



THE Richard McNeill INTERVIEW

Unlikely boss who altered the face of broadcasting

ST 2/7/95

"I was terrorised and my family exposed. The security of my home, my sanctuary, was sacrificed. People lurked round my house. "I didn't change my home or my phone number. But now I'm going to change it to an SABC number and get a private number to myself. As for my cellphone, only my closest staff will know the number."

It is not only her portable phone that Dr Casaburri keeps to herself. She is that rarely in public life, a resolutely private person.

When we meet in her 28th floor office in Auckland Park, she tells me with more than a touch of satisfaction that her CV "doesn't say how old I am, whether I am married, or how many children I have."

"During my selection board," she continues, "those six gentlemen led by Mr Justice (Ismael) Mahomed, suddenly became very uncomfortable trying to get this information out of me."

"What they were asking me, they were not asking men. They tried this way and that, but I was not forthcoming. I was volunteering nothing. They would have to judge me on what I said."

It's a trick she says she learned in the US. "I realised that if I say I have small children, they will immediately start worrying about when I will be off work."

She is colourfully dressed in the voguishly flamboyant style of the new South Africa's new elite. There are flecks of grey in her hair. Her office is modestly decorated and smaller than that frequented by previous chairmen — though the views over Johannesburg's northern suburbs are just as impressive.

FOR the record, Dr Casaburri, MA, PhD, was born where on her mother's side. She was educated at Fort Hare and Rutgers University, New York. She married and divorced an Italian-American whom she met in Lusaka, Zambia.

She has no children, but asks, spreading her hands, "What does that mean to an African woman? It's a futile question in a society where you always have six or seven children to look after."

Dr Casaburri is a sociologist by training, and has a tendency to lapse into sociology-speak.

"Take my own family," she says crisply. "I had three sisters and two brothers, and we were all brought up with Afrikaans as our mother tongue. Yet I am now the only one who publicly acknowledges this. Although we speak Afrikaans and one of my brothers conducts his business in Afrikaans, almost none of my nieces or nephews now speak Afrikaans, or can speak it."

"This is a conscious shift to English. "One has to look at the history of

why those choices are made, and if you are going to make an issue out of it, I have to say *Moenie krap wear die nle jeuk nie* — don't scratch wounds that have stopped itching."

She is equally direct about the government's request for airtime, reportedly rejected by the board last week.

"Who made this request? Not the cabinet, not the executive, not Parliament, not Palla Jordan, not the ANC. It was the South African Communication Service (SACS) who made it. We have said 'no' to them."

"But I have insisted there is no way we just say 'no' to the government."

WE are deeply conscious, and have been for some time, of the government's problem in trying to inform people of its policies in a country where almost 75 percent cannot read beyond Std 5 level. The print media cannot answer the problem.

"If, for example, the government commissioned a programme on housing, and it gave good information, why would we refuse to run it? If we were not happy with parts of it, we would need to talk to resolve the issues."

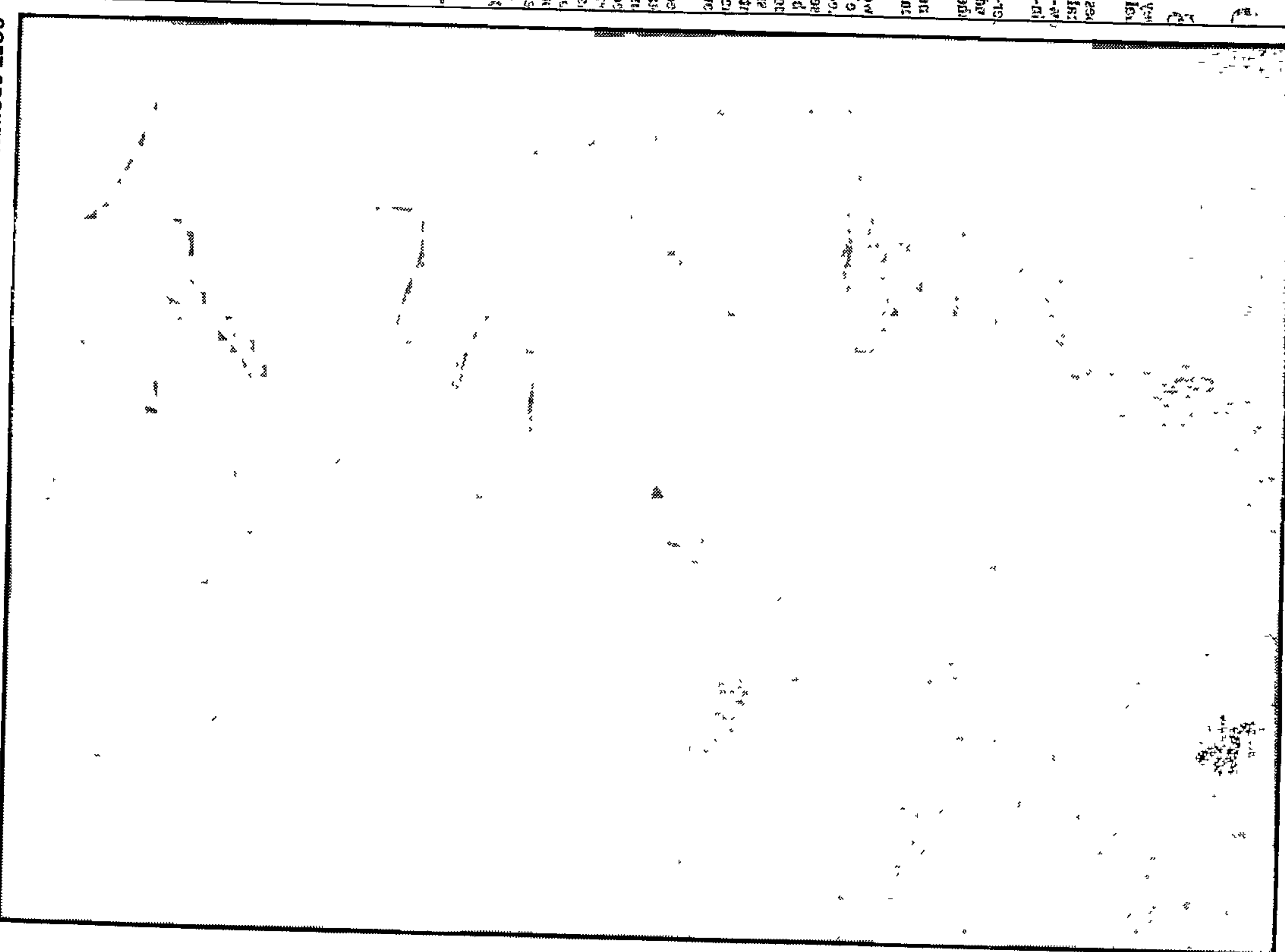
"But we must still protect our editorial independence. The final decision would be made by an editor operating under a journalistic code of conduct."

Dr Casaburri acknowledges the almost impossible burden the constitution lays on the SABC to cater for 11 languages, but looks ahead to the time "when perhaps South Africans, whether they are Afrikaners or Xhosa, will feel more comfortable and less threatened, even if they don't hear their language all the time, and say, 'we are not being trampled or looked down on.'"

She doesn't fear competition from commercial and independent rivals which will be licensed by the Independent Broadcasting Authority in the coming months. "I don't come from an old SABC culture, so I have no qualms about opening it up to competition."

"I'm driven by what is in the public interest. The SABC could be the BBC of Africa if we use our current monopoly position to become a fully credible institution. "The competitors are going to have to work hard."

SOFT-SPOKEN but Ivy Matsepe-Casaburri has a firm hand Picture: CHRISTINE NESBITT



SAfm rejigs after negative response

By RICHARD McNEILL (260)

THE SABC has cut the talk, increased the music and brought back some familiar voices on SAfm after market research showed not only that a significant number of listeners were unhappy with the new radio station, but that it has failed to attract an increased black audience.

From tomorrow, the lunchtime *Midday Live* news programme is being axed, and current affairs concentrated in the *AM Live* and *PM Live* shows.

This will make space for *Martin Mid-morning*, a new light music programme hosted by "Irish devil" Martin Bailie from 10am to 11am.

It will also allow *Women Today*, one of the successes of the new station, to be extended to two hours, from 11am until 1pm, and to feature a new 12.30pm daily slot presented by Patricia Glyn.

To accommodate the morning *Devotion* and *Novel Reading*, the phone-in *Talk at Will* will be cut to an hour, ending at 9.30am.

Eavesdropping, the Durban-based talk show with Julie Frederickse and Madoda Ncayiyana, is being cut to 50 minutes, between 1.10pm and 2pm after the one o'clock news. It will be replaced on Fridays with a sports programme.

PM Live will now be co-hosted by Brett Davidson and *Midday Live* presenter San Reddy, and will be extended to allow Caesar Molebatse his own half-hour segment.

An SAfm spokesman denied this week the changes meant the controversial station, which replaced the old Radio South Africa in March, was "going into reverse".

"We are always keen to improve our standards, and this will mean relying on more experienced people. We are not re-tracing our steps. We are still intent on

targeting other English-speakers as well as whites. However, we are listening to our audiences and paying attention to the feedback."

The changes were decided on after Markinor audience research during June threw up what insiders describe as "disturbing" evidence of negative reactions.

Asked to say what they liked about SAfm, listeners said it was non-racial, and its news was more detailed and more relevant than before.

But dislikes included poor English standards, inconvenient schedules and lower entertainment value. And in general there was "too much talk".

"Most significant was the fact that 14 percent of the sample said they were unhappy with SAfm," said the spokesman. "In radio terms, anything over 10 percent dissatisfaction is worrying."

"According to the research, we haven't actually lost listeners, but that may be because they don't, at present, have anywhere else to go."

Ironically, the black audience has not increased, either. The old RSA had about 26 percent black listeners; the latest figures indicate SAfm has about the same.

A prime motivation in recasting the station was to broaden its audience base.

Apparently the two programmes attracting the most criticism were *Dawn Shift*, the early morning show, and *Eavesdropping*. Clearly both now have question marks over their future.

Reacting to the changes, SAfm's actuality editor Charles Leonard said he was "not happy" about losing *Midday Live*, but admitted some of his journalistic resources had been thinly stretched.

A more detailed profile of the station's listenership will be undertaken this month and should be available in August.

Afrikaans TV aims for global audience

CT(BR)4/7/95

(260)

An Afrikaans television channel could be established soon by a group of Afrikaans business people and judges

The scaling down of Afrikaans on television had led to the creation of the Victus Trust which aimed to establish an Afrikaans television station. Eddie van Rensburg, chairman of the trust, told a media conference recently

He said the channel could be in operation within a year. The trust would ask Afrikaners to invest between R100 and R100 000

When a million people had invested in the trust, the money

would be converted to share capital to finance a public company to run the television station

An investment of R10 000 had already been received, he said

Interest

Van Rensburg claimed broadcasts could extend as far as Europe and the Americas. Overseas companies had already been involved in negotiations, he said

He claimed there were about 40 million people worldwide who understood Afrikaans, including those in Belgium and Holland

Talks had already been held with the SABC, M-Net and the satellite television company, US Network, with the possible aim of hiring channels or satellite time

The project was a business venture to maintain the profile of Afrikaans in the electronic media. No politics or religion would be allowed, Van Rensburg said — "We are past the oxwagon stage"

The station would be open to all people regardless of race, religion, politics or background

Among the members of the trust are judges M T Steyn, G A Hattingh and J W Edeling

Journalists named for SABC Board

(260) CT 4/7/95

PRESIDENT Nelson Mandela has appointed journalists Allister Sparks and Khaba Mkhize to the SABC's governing board, his office said yesterday

Sparks replaces Dr Franklin Sonn, SA's ambassador to Washington, and Mkhize, assistant editor of the Natal Witness, takes his seat from Dr Frederik van Zyl Slabbert, who is co-ordinating local government elections. The NP has objected to both appointments

Additions⁽²⁶⁰⁾ to SABC board upset NP

ARG 4/7/95

The Argus Correspondent
and Sapa

JOHANNESBURG — The National Party has criticised the latest appointments to the SABC board, saying they are clearly political as both appointees have well-known links with the African National Congress

The NP was commenting on the appointments of journalists Allister Sparks and Khaba Mkize announced yesterday by President Mandela

NP leader and Deputy President F W de Klerk said the appointments reduced the chances of Afrikaans-speakers and members of the coloured community to serve on the SABC board. He intended taking the matter further

Mr Sparks denied he was a member of the ANC or any other party

He was nominated as an ANC candidate in last year's general election but withdrew

The SABC board is legally constituted again after the appointment of Mr Sparks, former editor of the Rand Daily Mail and now executive director of the Institute for the Advancement of Journalism, and Mr Mkhize, deputy editor of the Natal Witness in Maritzburg

The appointments are with effect from July 1. They will serve on the board for three years

A statement from the president's office says Mr Sparks replaces Franklin Sonn while Mr Mkhize replaces Frederik van Zyl Slabbert

The two bring to 22 the number serving on the board, which requires at least 21 to be legally constituted. The full complement of the board is 25

SABC board appointments approved

Ingrid Salgado

4/7/95

PRESIDENT Nelson Mandela has approved the appointment to the SABC board of Institute for the Advancement of Journalism director Allister Sparks and Natal Witness deputy editor Khaba Mkhize — both of whom were rejected by former President FW de Klerk in 1993.

The appointments bring the number of board members to 22 — just one more than required for it to make legally binding decisions. Three vacancies still exist and are due to be filled after a process of public

hearings has taken place

Sparks and Mkhize were among seven candidates who were struck off a list compiled by an independent selection panel when De Klerk used his power of veto to reshuffle the board. They would now replace ex-board members Franklin Sonn and Van Zyl Slabbert, Mandela said.

Sparks — a former Rand Daily Mail editor — said yesterday he was "very pleased" about his appointment because "an injustice has been undone." He and

Continued on Page 2

SABC

Continued from Page 1

Mkhize had been chosen fairly by the selection panel in 1993, and when the recommendations were vetoed by De Klerk, he had never been told why.

The board would for the first time consist of practising journalists who could have a significant input into vital areas of the SABC. The broadcaster needed to be more effective and dynamic, particularly

in its news and current affairs coverage, Sparks said.

Mkhize said his appointment had "cleared" his profile as a journalist, since De Klerk had intimated that those struck off the list were politically aligned.

The newly constituted board meets for the first time on August 2. The number of board members slipped to 20 last month when Billy Modise became SA's ambassador to Canada.

Two new members for SABC board

■ BY MICHAEL SPARKS

The SABC board is once again legally constituted following President Nelson Mandela's appointment yesterday of two people to replace members who have left.

The two appointed are Allister Sparks, former editor of the defunct Rand Daily Mail and presently executive director of the Institute for the Advancement of Journalism, and Khaba Mkhize, deputy editor of The Natal Witness.

Their names emerged as a compromise proposal from the parliamentary standing committee on broadcasting when there was opposition to the names of five people going forward — all of whom had been recommended after public hearings, but who were rejected by then-president F W de Klerk.

The present board was

launched two years ago under the chairmanship of Dr Ivy Matsepe-Casaburri. The full complement is 25 and although the present total is 22, it only requires 21 members to be legally constituted.

Sparks said he was not sure how the appointment would affect a radio programme he had planned for later in the year, but would discuss the issue with the other board members.

Mkhize said he hoped to encourage the SABC away from "fuel-injected reporting", where the body count in stories was more important than the reasons behind violence.

■ NNTV will broadcast a panel discussion at 9 10pm today to discuss claims of third force activity which were made in a TV programme *Death of Apartheid* based on Sparks's book, *Tomorrow is Another Country*.

Star 4/7/95

(260)

Reddy slams press ^{CT 5/7/95} 'bias' over new channel ⁽²⁶⁰⁾

SABC radio chief executive Mr Govin Reddy, defending the introduction of the new English language channel SAfm, has accused the press of bias

Defending the remodelling of the old Radio South Africa, he said "It could not remain the same. Even the most reactionary and backward listener would agree"

The introduction of African accents, SA music and elements of black culture alongside the traditional mix of British-style accents and programming was inevitable

He said Radio South Africa had controlled the largest share of radio resources, but attracted only 400 000 listeners, mostly middle-aged whites, out of a population of 40 million.

Acknowledging a listenership drop of about 25% during the first

month of change, he said it could take up to five years to build SAfm to its target of 800 000 listeners

He criticised media coverage of the changes, saying the comment had been dictated by the white ownership and staffing of the four main newspaper groups

"Some of the most vitriolic critics of SAfm are also white, middle-class, middle-aged, English-speaking males. Birds of a colonial feather battling to come to grips with the new, non-racial SA," he said

Mr Reddy said truthfulness, accuracy, justice and humanity were fundamental principles of journalism and added "I'm not sure our journalists have these qualities yet

"If journalists persist with inaccurate, unbalanced reporting, they

are unlikely to win the respect of the public"

● The ANC yesterday rejected NP criticism that the appointments of journalists Allister Sparks and Khaba Mkhize to the SABC Board were political

"The fact that Sparks and Mkhize opposed the policies of the NP as represented by apartheid does not make them members or sympathisers of the ANC," the ANC said

Sparks denied he was ever a member of the ANC or any other political party and said he had withdrawn his nomination to the ANC candidate list for last year's general election

Mkhize, deputy editor of the Natal Witness in Maritzburg, has also denied ANC membership — Sapa, Reuter

Reddy climbs into Press

ARLT 5/7/95 (260)

□ Critics of SAfm are 'colonial birds of a feather'

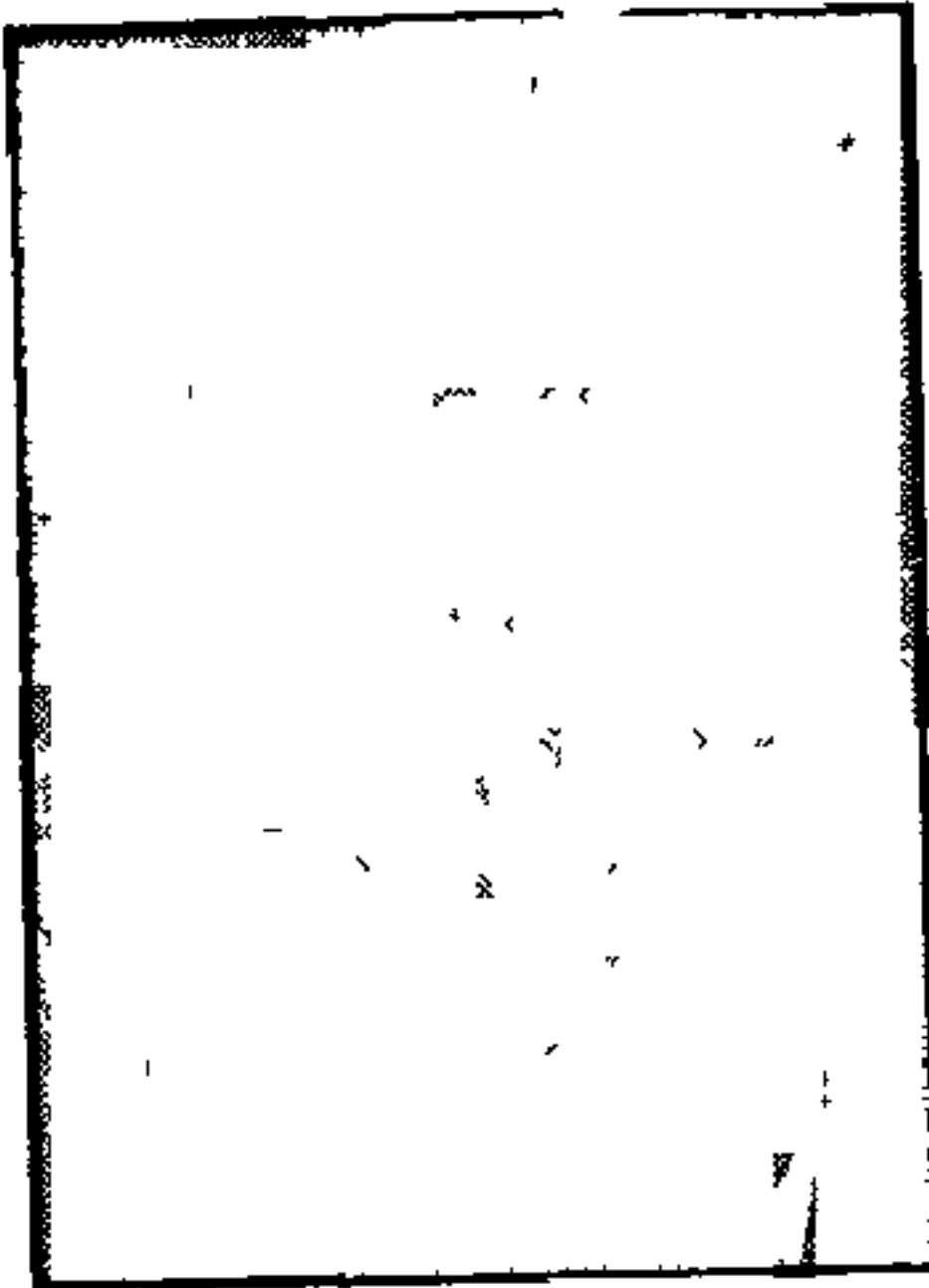
IAIN MACDONALD
Tonight Staff

SABC radio's chief executive Govin Reddy has slammed criticism of Radio SAfm and the ethics of the South African Press

To a shocked and — in the words of one member — "insulted" Cape Town Press Club in Cape Town yesterday, he hit out at newspaper ownership and the way the Press had covered the SAfm controversy

He said "Some of the most vociferous and vitriolic critics of SAfm are white, middle-class, middle-aged, English-speaking male radio critics writing for The Star, The Argus, the EP Herald and The Mercury — birds of a colonial feather battling to come to grips with the realities of a non-racial society"

He referred to "appalling ethical standards of the Press in South Africa" and said the "decline of Press freedom in the apartheid years inevitably led to a sharp decline in ethical standards across the spectrum of the South African media"



Govin Reddy

As there was "little divergence of interest" between the owners of Times Media Limited and Independent Newspapers (formerly Argus Newspapers) and the listeners of (sic) 'Radio South Africa', it was "hardly surprising that a flood of anti-SAfm letters were published while pro-SAfm writers were lucky to get the odd letter published"

He singled out journalists Ken Owen and Derek Wilson as "providing their readers with

inaccurate information about SAfm"

"If the South African Press continues to be dominated by four publishing houses, debates on major issues like SAfm will continue to be one-sided and hardly reflective of the diverse opinions which are so clearly manifest in our country

"How would the Press have reacted if similar charges had been made to, say, Radio Xhosa? A page five story in one issue, perhaps?

"Central to the debate over SAfm is who controls the Press

"South Africa has one of the highest concentrations of Press ownership in the world

"Do we have a democratic media culture in our country? If journalists persist with inaccurate, unbalanced reporting, they are unlikely to win the respect of the public

"As important as codes of conduct are, more important in my view, is the creation of a moral, ethical conscience among journalists

"RSA was the SABC's best-

resourced radio station with 126 transmitters and a staff of 53. Its audience of 400 000 was less than a tenth of Radio Zulu, which runs on 20 transmitters and a staff of 31

"In 1994 Radio Zulu made a profit of R32-million and RSA a loss of R20-million

"No public broadcaster could justify running such an expensive and dying station that had little relevance to millions of South Africans who use English as a first or second language.

"SAfm was launched to attract a higher, younger and more multi-racial listenership, while trying to minimise loss of current listeners"

He said SAfm would never make a profit

"My aim is to minimise the loss. I'm looking at a listenership of some 800 000 four years down the line," he said.

SAfm had shed around 90 000 of the Radio South Africa's listenership of 400 000 since the changes

"I think I made the morally correct decision to change the station," he said

Fraud, theft 'cost Eskom R48m' (260)

Tim Cohen

MD 5/7/95

CAPE TOWN — Eskom's mass electrification project has brought with it a huge increase in theft of its stock, with goods valued at just less than R48m stolen in the past three years.

In reply to a parliamentary question, Public Enterprises Minister Stella Sigcau said the amount involved in major fraud and theft at Eskom had jumped from R1,7m in 1992 to R10,7m in 1993. The cost had doubled again in 1993 to R25m, but fell back to about R10m last year.

An Eskom spokesman said the mass electrification project had taken off in 1991 and the increase in theft of Eskom stock was probably because of this initiative.

Eskom did not condone it, but an increase in theft was understandable in the light of the corporation's increased activity and the depressed economic circumstances in many parts of SA.

By far the most commonly stolen item was electrical cable, the spokesman said. High-tension cabling was not stolen because it was made from a steel compound and was much less marketable than the copper cabling used for local connections.

Considering that Eskom spent about R1bn a year on mass electrification, the amount stolen had not reached critical proportions, the spokesman said.

Eskom said 310 investigations had been conducted in five years and more than 100 people had been dismissed.

SABC chief lashes press over SAfm

(260)

SAWS/7/95

■ OWN CORRESPONDENT

Cape Town — SABC Radio's new chief executive, Govin Reddy, has slammed criticism of the Radio SAfm controversy, as well as the ethics of the South African press.

To a shocked Cape Town Press Club yesterday, he hit out at newspaper ownership and the way the press had covered the SAfm controversy.

He said "some of the most vociferous and vitriolic critics of SAfm are white, middle-class, middle-aged, English-speaking, male radio critics writing for newspapers — birds of a colonial feather battling to come to grips with the realities of a non-racial society"

Reddy referred to the "appalling ethical standards of the press in South Africa"

As there was "little divergence of interest" between the owners of these newspapers and the listeners of Radio South Africa, the flood of anti-SAfm letters was hardly surprising, he said.

He singled out journalists Ken Owen and Derek Wilson as "providing their readers with inaccurate information about SAfm"

"How would the press have reacted if similar charges had been made to, say, Radio Xhosa," Reddy asked

On why Radio South Africa gave way to SAfm he said it was "an old-fashioned radio station with a dwindling, ageing, predominantly white audience"

RSA used to be the SABC's best-resourced radio station but with one-tenth the audience of Radio Zulu, he said

"No public broadcaster

could justify running such an expensive and dying station that had little relevance to millions of South Africans."

Reddy said Radio South Africa listeners had not been consulted about the changes because "when Volkswagen management in Germany was faced with the declining sales of the Beetle in the 1960s, they didn't go to existing Beetle owners to find out why people were not buying Beetles".

"They conducted a survey among Germans who were not buying the Beetle. The result is they scrapped the Beetle and launched the Golf," he said.

SAfm had shed around 90 000 of the Radio South Africa's listenership of 400 000 since the changes according to AMPS figures.

(260) (142)

Go-slow disrupts newscasts

Star 6/7/95

■ BY SHIRLEY WOODGATE

A go-slow by about 700 unionised employees at the Bophuthatswana Broadcasting Corporation has forced the delay or cancellation of some newscasts since Monday.

The chairman of the North West Media Workers' Association of South Africa (Mwasa), Sam Ramosa, said the go-slow from June 30 to midnight on July 9 had been triggered by secret salary increases to a handful of employees.

Director-general Solomon Kotane had ignored staff demands for similar salary adjustments and the association viewed his action as an unfair labour practice.

"Another problem is that Kotane refuses to make written responses," said Ramosa. He warned that lunch-time pickets and the go-slow could erupt into a full-blown strike from July 10.

Foreign bids for Eskom power plants

By SVEN LUNSCHKE

ESKOM is considering offers from European and US power utilities to buy two of its mothballed power stations.

Allen Morgan, Eskom's chief executive, said this week the companies were finalising proposals to buy Grootevlei, near the Vaal Dam, and Camden, near Ermelo, which could involve a partnership with Eskom or the establishment of an independent power producer.

"They are very keen to be involved in South Africa, but our overall approach towards the sale will be determined by the government's policy on the restructuring of state assets," Mr Morgan said.

He emphasised the foreign utilities would have to fit in with Eskom's planned pricing structure for electricity and its plans to bring back mothballed plants.

Eskom closed down some power stations in the late 1980s when electricity demand fell in line with the recession.

It is anticipated that power sources will be stretched to capacity in about three years when additional capacity will be required.

"I don't envisage that the foreign power utilities will come on to the Eskom grid

before 1999," Mr Morgan says.

Another potential source for future energy is the proposed Southern African Development Community electricity power pool, he says.

At an SADC energy ministers' meeting this week the state electricity utilities were given the go-ahead to proceed with the rules for the 500 MW power pool.

The pool will act initially as a standby facility for SADC members faced with a sudden shortage of electricity, says Johan Basson, chief director of energy in the Department of Mineral and Energy Affairs.

"The power pool increases security of supply and allows a country to run its transmission system with less standby capacity," Mr Basson adds.

While South Africa has an annual capacity of more than 40 000 MW, the pool will initially prove significant to countries like Botswana, which has electricity capacity of less than 200 MW.

Mr Basson expects significant savings to emerge from the system as it ensures better usage of capacity in the 11-nation SADC.

The pool will allow countries in the northern SADC region, which are dependent on hydro-electricity plants, to draw power from coal-based power stations in the south during droughts, and vice-versa.

While Eskom will initially be the main supplier to the pool, Mr Morgan says that in about three years Eskom could be sourcing some of its electricity from the pool.

Addressing the SADC meeting, Minerals and Energy Affairs Minister Pk Botha said the pool should be launched this year and in the short term save about \$600-million a year in energy costs.

"From a technical point of view, and providing we do not delay its implementation by wasting time on unimportant procedural details, the SADC power pool should be in a position to make a modest beginning later this year," Mr Botha commented.

The meeting was also expected to discuss a protocol which Mr Botha said would aim to integrate SADC energy activities, Reuters reports.

This would lead to a marginal loss of national sovereignty as control over energy would be transferred to a regional body.



POWER PLAYER ... Allen Morgan, Eskom's chief executive, who says US and European power utilities are keen to invest

Report clears Umgeni and RMB

By JULIE WALKER

A REPORT on the borrowings of Umgeni Water and Rand Merchant Bank, its market-maker, has cleared both of malpractice.

The report was compiled by financial consultant Dave King at the request of capital market players and investors.

These parties were concerned about potential over-reaction against all market participants in respect of speculation that Umgeni had exposed consumers and taxpayers to excessive risk.

The report says Rand Merchant Bank was not responsible

for market positions taken by Umgeni.

While Umgeni had taken unnecessary risk positions, these in all probability were as a direct result of uncertainty regarding proper accounting treatment of capital market transactions entered into for different economic reasons.

"While Umgeni did take certain positions at risk during the last few years the level of risk

was not such that it could jeopardise Umgeni Water or its consumers."

However, the level of disclosure was insufficient for independent analysts to gain insight on the risk position and performance," says Mr King.

Umgeni pre-funded at a level significantly beyond what any capital market player has done in South Africa.

The objective was to gain liquidity for the organisation during difficult times and not to take a view on interest rates. External experts were employed by Umgeni to manage the risk arising from pre-funding, but Mr King says this would have been unnecessary had the position been properly hedged at initiation of the pre-funding.

Umgeni could repurchase its debt, but prevailing rates make the funding look good from both a rate and a liquidity perspective. Mr King says Umgeni should be comfortable with its position. A copy of the report has been sent to the Minister of Finance and to the Minister of Forestry and Water Affairs, who has also authorised an investigation.

SABC 'far CT 10/7/95, too timid'

JOHANNESBURG: The South African Union of Journalists has condemned the SABC for censoring itself under pressure from special interest groups.

At its annual congress at the weekend, the union urged the SABC to stand by its editorial code and strive to achieve balance and fairness in its programming.

The union was reacting to the SABC's decision to cancel the broadcast of a documentary, Jihad in America, because of protests from a sector of the Muslim community.

"There is a disturbing tendency in the SABC to overturn editorial decisions simply through fear of controversy or protest," the SAUJ said — Sapa (260)

Multi-channel TV here soon'

(260) CT 10/7/95

PETER DENNEHY
STAFF REPORTER

MULTIPLE-CHANNEL television, from overseas and local stations, should be available to viewers here long before the end of the year because PanAmSat's satellite is going to be launched a month earlier than was expected.

The service will only be available to those who are prepared to pay between R2 000 and R4 000 for 90cm-diameter satellite-dish receivers.

A R2 000 analogue set will get just the SABC stations and M-Net, while a R4 000 outlay should be enough to buy a dish plus the digital technology required to get all the other stations. M-Net will be broadcast on both systems. Installation costs will be about R500.

In addition there will be subscription fees for most of the new channels, but all the SABC channels will be available via satellite without charge.

Those who cannot get the entire SABC television service will be able to solve this problem by getting a dish.

The satellite that will bring all these channels to us is called the PAS-4 Starwalker. The agents announced at the weekend that the launch of PAS-4, from French Guiana, has been brought forward by almost a month to the beginning of August.

Launchpad

The satellite has already been delivered to the Arianespace launchpad.

The television service will only start six weeks or more after the launch, but tests will be run from early August. Multi-channel television is thus expected in South Africa from October.

Mr Neel Smuts, chairman of the Starwalker committee, said he was delighted with the new launch date.

16 CHANNELS TO CHOOSE FROM

Satellite TV will offer wide range of viewing

THE PanAmSat-4 satellite will soon beam TV signals to the whole of Africa, but viewers will have to buy satellite dishes if the want to receive them. **WILLEM STEENKAMP** reports.

SATELLITE television is almost here. From October South Africans will be able to receive 16 local and international TV channels, as well as international radio services.

The PanAmSat-4 satellite, which will beam the signals to the entire African continent and the adjacent Indian Ocean islands, is due to be launched on August 1.

After a "short period" of testing, the full range of satellite channels will be available to subscribers Multichoice, which has been appointed to distribute 16 of the services, said yesterday viewers will

be able to receive channels dedicated to news, family entertainment, sports, cartoons, movies, Christian programming, travel and music.

The M-Net channel and channels dedicated to K-TV, Movie Magic and Supersport, will be available to viewers via satellite.

The other three channels will be dedicated to the three SABC-TV services, which will free

The Voice of America, Radio 702's three services and 40 specialist CD-quality music channels will broadcast 24 hours a day.

Multichoice said the October programming line-up is only the

ET 14/7/95

(260)

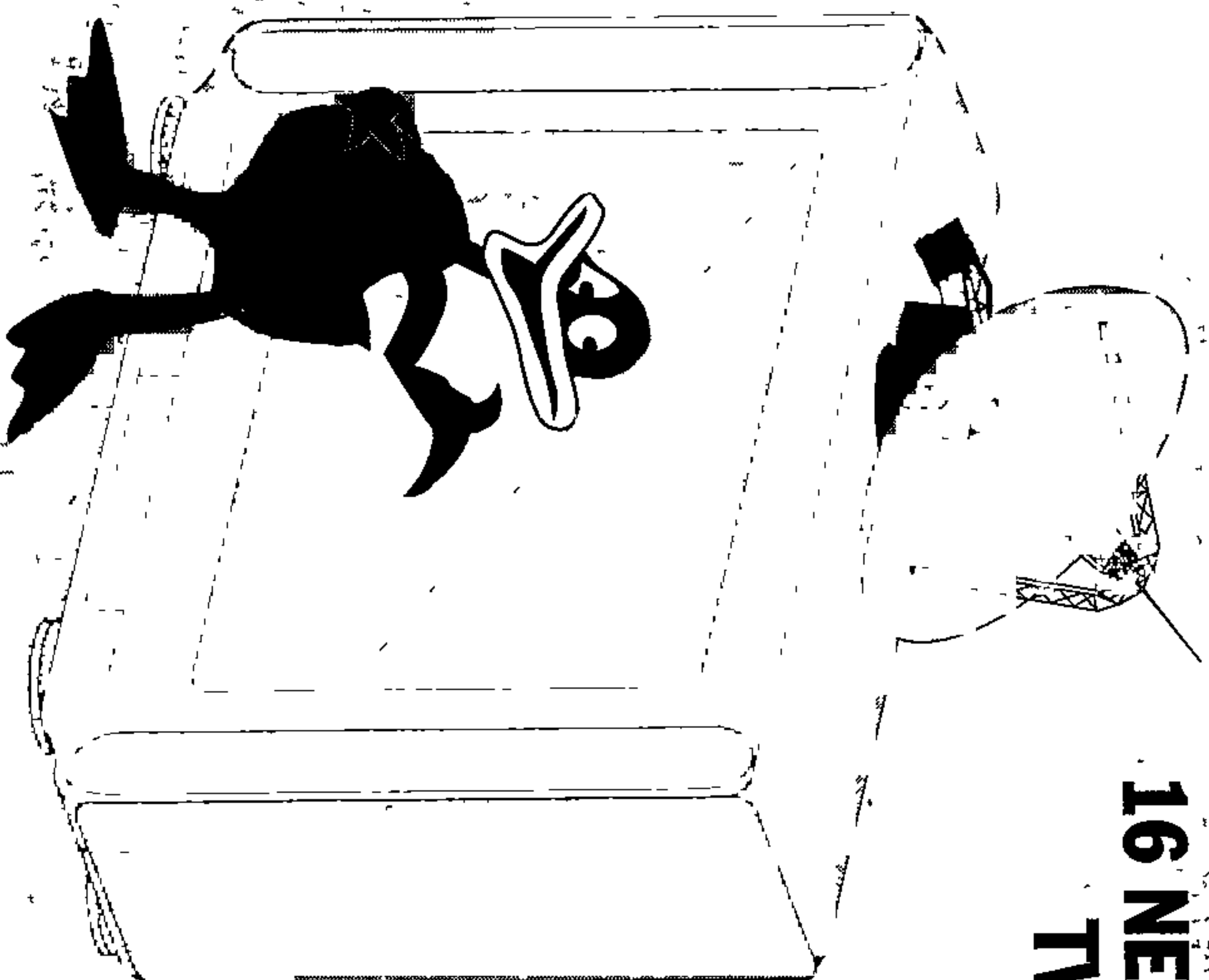
beginning and "many more channels are due to make their announcements soon", including possibly the BBC World news and information channel.

Subscription charges for receiving the satellite channels would be announced soon.

It is envisaged that subscribers will make their own selection of channels and pay to receive them only.

Viewers wishing to receive the satellite service will have to buy satellite-dish receivers.

An M-Net spokesman said last night that present subscribers would not have to buy a satellite dish to receive the pay channel, as M-Net in its present format would still be available.



Graphic: Matthys Moss

16 NEW SATELLITE TV CHANNELS!

What you can see:

- Cartoon Network
- CNN International
- Digital Music Express
- ESPN Africa
- Hallmark Entertainment
- K-TV Channel
- M-Net Channel
- Movie Magic Channel
- SelectTV
- Sky News
- Supersport Channel
- TCI Channel
- The Voice of America
- Radio 702
- Radio 40
- Radio 1
- Radio 2
- Radio 3
- Radio 4
- Radio 5
- Radio 6
- Radio 7
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- Radio 100

16 new radio and TV channels hit airwaves

Ingrid, Salgado (260) 130/14/9/95

SIXTEEN new radio and television channels would be available via satellite in SA by October, including international sports, film, travel and music broadcasts as well as the familiar CNN, Sky News and M-Net channels, MultiChoice announced yesterday.

The signals would be transmitted via Ku-band from PanAmSat's Pas-4 satellite, to be launched from French-Guyana on August 1.

The existing M-Net channel would still broadcast terrestrially and would retain the same format but three further channels would be introduced — one featuring movies around the clock, another for sports fans, also 24 hours a day, and the third would broadcast children's programmes 12 hours daily.

These would be available on an analogue satellite system, costing about R1 500, while the others would require a digital system, costing about R4 000.

The channels would also reach the rest of Africa and adjacent Indian Ocean islands using C-band.

MultiChoice, hired to manage the channels' Africa services, said it would ensure there was conditional access via communication with individual devices.

The new TV channels include Cartoon Network, featuring 500 cartoon character favourites; Hallmark Entertainment, a family-oriented channel; and Travel Channel, showing international destinations for the leisure and business traveller. Others are:

- ☐ Trinity Broadcast Network, a Christian network representing more than 15 denominations;
- ☐ ESPN Africa, major international sport;
- ☐ SelecTV, British family entertainment;
- ☐ TV5Afrique, the world's largest French network;
- ☐ TNT Classic Movies, Europe's classic entertainment channel; and
- ☐ VH-1, a British video hits service geared for adults featuring music hits since the 1960s.

Radio channel Digital Music Express would also be available, giving listeners an around the clock, uninterrupted variety of sound, from opera to jazz to contemporary music.

Eskom's Numsa members to march

Renee Grawitzky

601917195 (260)
NATIONAL Union of Metalworkers of SA (Numsa) members at Eskom and Iscor will march today to the Union Buildings to present a memorandum to the ministers of public enterprises and trade and industry, to protest against privatisation and the involvement of trade and industry in Iscor's Saldanha steel mill

The union at Eskom is demanding that the company stop its plans to privatise or contract out some of its services. The union claims that Eskom "has plans to give licences to individuals to supply electricity" and that these savings would be used to provide for a greater contribution to the RDP, higher wages and the empowerment of black business.

The union rejected the notion. It believed the privatisation initiative was "retrenchment in disguise".

An Eskom spokesman said structures and processes were in place in the organisation to ensure meaningful participation in decision-making by unions. Matters of concern affecting workers would be thoroughly discussed within these structures.

Eskom had no plans to privatise.

Church in court action against IBA

JOHANNESBURG: The Universal Church of the Kingdom of God is to take the Independent Broadcasting Authority (IBA) to court to force it to decide on the church's application for religious broadcasting licences (210)

The church's attorneys said yesterday it was still waiting for an answer to applications for licences for six different community radio stations submitted in November last year (210)

Problems

20/7/95
They said the IBA had also failed to respond to constant requests for information, a march by 5 000 people on the IBA's offices and a letter from them

An IBA spokeswoman said several religious broadcasting licences had already been issued, but there were a few problems with the Universal Church's application — particularly that the applicants were not South African citizens.

Also, the licences requested would cover broadcasting to a major portion of the country, and the applications might fall outside the bounds of community licences, she said — Sapa

Protest against privatisation

(260) ~~222~~
PRETORIA: About 2 000 members of the National Union of Metal Workers of South Africa yesterday marched on the Union Buildings in Pretoria in protest against the privatisation of Eskom and Iscor.

Some workers said privatisation would only take place "over our dead bodies". Security force members watched proceedings until the protesters dispersed from the Union Buildings about 12 30pm.

ET 20/7/95
Staff Reporter, Sapa-Reuter

Now hear this . . . delivering democracy on the airwaves

(260) ARG 20/7/95

ONE of the Independent Broadcasting Authority's foremost responsibilities is to regulate broadcasting activities in the public interest

To do so effectively, the IBA must promote community broadcasters who, when viewed collectively, cater for all language, religious and cultural groups, and are able to provide entertainment, education and information for the community to which they broadcast

It is unfortunate that we as South Africans have had to go through the abominable stage of apartheid policies where people were not only deprived of their basic human rights through legislation, but were also punished for trying to communicate with one another

The only visible and accepted media in the past was the media which served particular parochial interests. Given this historical omission, the need for a vibrant and relevant community media cannot be overstated.

The IBA aims to encourage and ensure that a multiplicity of voices from diverse sectors of South Africa's cultural landscape will be seen and heard on our radios and television

Through opening up the airwaves to community broadcasters, the IBA has not only encouraged ownership and control of broadcasting services by people from historical disadvantaged groups, it has also catered for many different communities and a wide range of interests across the country

The IBA has now licensed 75 community radio stations across the country, 34 of which will be on air by the end of this month

The 75 broadcasters which have received a community radio licence from the IBA make up a cross-section of the South African public and, as the IBA specifies, when viewed collectively do cater for a wide range of communities (defined either by geography or areas of interest) and numerous community interests



Dr SEBILETSO MOKONE-MATABANE, co-chairman of the Independent Broadcasting Authority, discusses the granting of 75 radio licences to promote community broadcasting

Examples of broadcasters catering for specific interests are Fine Music Radio in the Cape and Radio Safari in the Lowveld, while Campus Bay FM in Port Elizabeth and Radio Tuks in Pretoria serve the university-going community

Chinese Radio Station, New Panhellenic Voice, Radio Islam, Azania Broadcasting Group, Soweto Community Radio, Radio Volkstem and Radio Clube Portuguese are among the many broadcasters who cater for cultural language or religious groups

Behind the licensing process is the understanding that communities have the right to ownership and control of community media. They have a right to produce their own images and narratives, and in the ultimate end, shape their destiny as responsible citizenry

Community access media, and in particular community broadcasting, is the first step towards empowering and enabling the historically disadvantaged communities

It must be clear in everybody's

mind that before building or improving, it is necessary to know the terrain and subsequently devise a plan, which is always preceded by leveling the field

If we want to achieve the set objectives of the IBA and the broad aims of this country, community access media must of necessity be easily accessible and democratic. There must be democracy on the airwaves. The culture of diversity, democracy and development must form the cornerstone of every community media

We at the IBA regulate not in a particular person's or group's interests, but rather in the general public interest and this is our highest priority

Many questions have been asked as to what the role of community broadcasting will be in the presence of public broadcasting services. I have always replied by saying that in a nation which has inherited a battered social fabric and an equally faulty economy, in a nation which has suffered indignities and physical abuse for decades, what we need is a kind of media that will restore dignity to the people

What we need is a media that will be in touch with the basics of their everyday lives. That is the role of community broadcasting

In acknowledging these, we have made it possible for community broadcasters to share frequencies. This in our view is tantamount to the promotion of the most efficient use of the broadcasting frequency bands. People should not be surprised to hear two or more stations on the same frequency at different times

We are now planning to encourage more prospective broadcasters to use the low-power MW band which is underused in this country. In other parts of the world, it is the norm to grant MW licences to community broadcasters

If the public is best served by community media, then we cannot ignore this aspect of the face of broadcasting, because the IBA is regulating in the public interest

Cabinet ready to discuss privatisation document

CAPE TOWN — A document which provides broad guidelines for the restructuring of state enterprises in SA has been prepared to be discussed in the Cabinet on July 26, according to Shapho Shabalala, Public Enterprises Office head.

Shabalala, who chaired the task group which drafted the document, was responding to National Union of Metalworkers of SA (Numsa) members employed at Iscor and Eskom who yesterday staged a march in Pretoria as a protest against privatisation.

"It is the intention of the Government of National Unity to use the document in consulting with critical stakeholders such as the National Economic Development and Labour Council, organised labour, business, government portfolio committees, inter-governmental forums, political parties, management and workers of the enterprises," he said.

Shabalala said the government had not held talks on privatisation of state enterprises and no instructions to start any major restructuring had been issued.

"It is possible that discussion on possible ways of restructuring might be taking place within some of the individual state enterprises. This is nothing more than mere preliminary discussion in anticipation of government guidelines.

Any discussion that is substantially more than this would obviously be construed as misplaced," Shabalala said.

The methods and process of restructuring will be guided by consensus reached through consultation with important stakeholders. Privatisation would be dealt with on a case-by-case basis.

About 5 000 Numsa members marched to the Union Buildings yesterday in protest against Eskom and Iscor privatisation — Sapa

● Comment Page 14

More than 2 000 members of the National Union of Metalworkers of SA marched to the Union Buildings in Pretoria yesterday.

Picture NICKY DE BLOIS

INFORMATION TECHNOLOGY

IBA

Greenhorns

(260)
fm 21/7/95

The Green Paper on telecommunications confirms that the Independent Broadcasting Authority (IBA) was created and assigned specific tasks without government having any understanding of how technological developments are transforming broadcasting

It asks questions that should have been settled before the IBA Act was drafted. If they had been, the IBA's functions might have been defined better.

"Within the next decade," the Green Paper observes, "there is likely to be a convergence of broadcasting and telecommunications technologies, business practices and functions in the development of the information highway."

In other words, if you believe in a finite radio frequency spectrum (not all technical boffins do, given new technologies), it will have to be managed as a single entity rather than have the Postmaster-General hand out some licences and the IBA the rest.

Still, the Green Paper asks whether there should be a single regulatory body. It also asks how radio frequency spectrum allocation and usage can be optimised, how the radio frequency spectrum should be valued, whether it can be sold, whether users of it should pay, the time period of frequency allocations — and who should pay the cost of managing the spectrum.

These are extraordinary questions considering the IBA has been operating for about 18 months and has licensed 75 community radio stations. Because some of these broadcast from more than one point, about 100 frequency allocations are involved.

By asking how the radio frequency spectrum can best be used, though, the Green Paper supports the belief of National Association of Broadcasting executive director Daniella Goldman that the IBA has still not succeeded in drawing up a frequency plan indicating how many frequencies are available for allocation — a task that the Act, before being amended, sensibly declared should be its first.

Despite IBA statements that it will start issuing commercial licences from next year, Goldman expects commercial radio and TV broadcasters to look at satellite broadcasting because of the uncertainty that they will get space on the spectrum (with cable TV regarded as a nonstarter). South Africans are familiar with the idea of satellite TV. "But satellite radio is also common in the US."

The IBA's future role is not likely to be decided until next year as people have until September 15 to send their comments on the Green Paper to the Posts, Telecommunications and Broadcasting ministry.

Regardless of whether there will be one or two regulatory bodies, Goldman agrees

with the Green Paper that finding enough people with high-level technical skills for management will not be easy. There is a "dire scarcity," the Green Paper laments.

All the fumbling and stumbling to date by those trying to create a new broadcasting industry bears that out. ■

BROADCASTING

Nonprofit radio

More than 50 of the 75 community broadcasting stations licensed so far will be supported on a nonprofit basis, according to the Independent Broadcasting Authority

Backers range from religious bodies (supporting about 20 stations) to universities (10 stations), and even include American financier George Soros's Open Society Foundation, which is supporting about eight stations with an annual budget of R3m for three years. The Australian, Danish and Dutch governments are supporting another three or four.

One group, of 15 rightwing stations, have even received indirect funding from the "old" SABC's signal distribution arm Sentech, which sold them 39 high-powered transmitters at fire sale prices.

The range of community stations is extraordinarily broad. It includes an Ndebele station financed from a trust fund run by the Ndebele kings, a KwaZulu station partially funded by Anglo American, and Radio Zibonele, which broadcasts health and nutrition programmes one hour a day in Khayelitsha. Alex FM, a station for Alexandra, is hoping — with naive optimism — to attract advertising from local spaza shops. Ethnic stations are planned for the Portuguese, Greek and Chinese communities.

What this means, says IBA counsellor John Matisonn, is that a majority of community stations have a good chance of surviving, though he concedes the possibility that 20-25 stations which will depend on advertising will not last in the business environment.

"A good number of stations are adequately resourced," he says. "You can run radio cheaply. Some of these stations will only broadcast a few hours a day. You can buy a studio and transmitter for R30 000, and if you rent facilities, you don't have to outlay even that much capital."

The IBA, he reiterates, does not accept

responsibility for the viability of the stations that receive licences, although an IBA spokesman said recently that it would be "putting together" training programmes to assist broadcasters with no experience of station management.

But should the IBA — a taxpayer-supported body whose function is to regulate broadcasting — be running training programmes for them? Matisonn says the IBA will not run training programmes but merely act as a facilitator.

"We are not trainers," says Matisonn. "But it might be reasonable for us to perform a limited facilitating role. We should not be totally ignorant about what is going to happen to them. If we organise a workshop or seminar to put them in touch with the advertising industry, I don't think that is

a terrible role for us to play. It costs us a minimum amount and then they sink or swim on their own. It's perfectly appropriate for us, having granted the licences, to make sure they know the terrain."

Though they are not commercial broadcasters, those that need advertising will compete with the commercial stations for revenue. If there are 20 stations each carrying R25 000 a month in advertising — considered virtually the minimum amount on which a community station can operate, says Mundel's ad agency media director Bernie Rayner — they will absorb R6m a year in advertising.

This is not much of a threat to commercial broadcasters, who attracted R524m in advertising last year. Indeed, Radio 702 MD Stan Katz, who is also chairman of the National Association of Broadcasters, says the problem is their inability to compete with commercial stations. "They don't have the resources to compete. Another problem is that many of them are broadcasting to communities where there is little economic

activity, so they are not attractive to advertisers.

"I predict that those who survive will blur the distinction between community and commercial broadcasters and will have to become fully fledged commercial stations."

□ The IBA's "triple inquiry" report (into local content, cross-media holdings and SABC funding) is to be presented to government next month.

Goodbye, checkout blues

It is more than a year since the CSIR announced the development of Supertag, the electronic identification system that can "read" the entire contents of a supermarket trolley with the single sweep of a wand.

Now, after ironing out a few teething problems, the invention is ready for marketing. SuperSensor, a subsidiary of the Fintrust Group (a privately owned Cape Town property development group), has been appointed the first SA licensee (and one of only seven in the world) to pursue the commercial development of the product.

Supertag comprises a computer chip and "tagtenna" which look like a sticky label fixed to items. These are scanned by a radio frequency reader which can record 50 items a second.

Initial awareness of Supertag, with its promise of virtually ending the supermarket queue, was high. The CSIR received more than 700 inquiries from around the world within a month of the announcement.

But SuperSensor MD Johan Kruger says it will probably take up to five years before the product will be widely used in supermarkets.

Industrial markets are being targeted initially for applications in warehousing, distribution and stock control. Tags will cost 60c-80c each.

Kruger eventually sees Supertag being used for pallet and outer case identification, checkout scanning, security and stock control in clothing stores, parcel tracking by courier services, and by airlines for container, baggage and passenger tracking.

Initial estimates are that SA will need about 10bn tags a year to satisfy applications that have already been identified. Worldwide, the market could be 100 times as large. "To begin with," says Kruger, "we are looking at the stock management process as far as the back door of the retailer. And our objective is to go international very quickly."

Tony Koenderman



Matisonn we are not trainers

(260) FM 21/7/95



GENCOR

Taking an international view

The debate which centres around how SA mining houses manage and control their captive mines took a new turn this week when Gencor chairman Brian Gilbertson confirmed that management agreements would be re-examined. This is a breathtaking change in philosophy for the country's second largest mining house.

The move to cancel management agreements in exchange for equity was initiated last year by Randgold, which put the changes into effect a few months ago. Other industry leaders reacted sharply at the time and most dismissed the move in derogatory terms. The implication that Randgold was a bit player, a house which ran marginal mines and, therefore, was of little account, was unmistakable.

It is a different story, however, when a producer the size of Gencor implicitly accepts the issue has to be taken seriously. Gilbertson says the intention is to transfer operating authority for Gencor's mines away from head office to the mines themselves. "The best people," he says, "should be where the action is."

This means a substantial downscaling of Gencor's Johannesburg head office. When the exercise is completed it is likely Gencor's head office complement will be below 1 000, down from 2 400 five years ago.

Gencor chairman Gary Maude is to take on responsibility for the group's international gold portfolio based in Europe, he will be replaced as Gencor MD by Tom Dale. Maude will continue, however, to carry overall responsibility for Gencor's total gold portfolio. Investor interest is likely to be sharply focused on how Dale resolves the conflicting needs of providing specialist services on an ad hoc basis to all the mines while trimming head office staff.

Gilbertson's announcement also attracts attention to the route he has chosen for Gencor. It is now clear he is intent on restructuring Gencor along commodity lines and it follows a course he mentioned last year when Gencor bought Billiton, Shell's international base metals operation.

This is not as easy as may first appear. There is a considerable blurring of lines of command and authority in all mining operations and hewing to Gilbertson's new policy will require deft manoeuvring.

In particular, it will have an impact on how Gencor's aluminium-based activities are handled. The dividing line is geographic, with Billiton's interests in aluminium, alumina and bauxite held separately from Gencor's internal Alusaf operation. The



Gencor's Gilbertson restructuring along commodity lines

logic suggests Alusaf should be spun out of Gencor, put with Billiton's interests in a new company and listed internationally.

The problem with this approach, on which Gilbertson remains noncommittal, is that it requires Gencor to relinquish sole ownership. In good times, this is the kind of business capable of spinning huge profits, in bad times, it can be seriously draining. The conundrum for Gilbertson, if this route is chosen, will be how to balance greed with fear.

The international gold operation is different. If bureaucracy can be overcome, Maude has four projects to get started on in Turkey, all low cost (less than US\$200/oz) and modest in capital demands (about \$25m each). It is estimated each could produce 1 t of gold a year from open cast mining, the life of the mines is reckoned to be about seven years.

He will combine these developments with gold mines in South America (notably Sao Bento), Indonesia (bought with Billiton) and the Yamfo project in Ghana. Gilbertson says the group has other plans but won't be drawn further.

This is continuing evidence of Gencor's commitment to its development into a genuine international mining house. *David Gleason*

RANDGOLD

Merging ailing mines

As predicted (*Torque* June 2), two ailing West Wit line gold mines — Blyvoortzicht and Doornfontein — are to

merge. It has taken months to conclude the negotiations between mining houses Randgold (Blyvoort) and Gold Fields (Doornfontein).

The terms are straightforward enough. Doornfontein will become a wholly owned subsidiary of Blyvoort, which will issue one share for every two Doornfontein held. With Doornfontein at 275c and Blyvoort at 525c, the deal imputes a value of R105m to Doornfontein. If Blyvoort's share price remains unchanged after the issue of another 20m shares (for 40m Doornfontein), the market cap of the merged mine will be about R230m.

The shareholding structure is interesting. Randgold now holds only 3% of Blyvoort. The group's intention is to fold its management contract into the new operation in exchange for equity, it's understood that this will give Randgold a further 4,5% to add to the 9% it is acquiring from Gold Fields. With about 16% after the merger is put into effect, Randgold will be the largest single shareholder.

Some important synergies will flow from the deal. First, administrative overheads will be slashed as Doornfontein's management is integrated with Blyvoort's. Second, a major advantage will be the use of Doornfontein No 3 shaft to gain access to Blyvoort reserves, particularly those locked into the area owned by Western Deep Levels but held by Blyvoort under tribute. The effect will be to reduce pay limits in both properties because of better efficiencies.

Gold locked into high-grade boundary pillars will become accessible for the first time and the impact could be startling. It is reckoned these run at better than 15 g/t *in situ*. Curiously, it is understood that Doornfontein currently holds mineable reserves of nearly 1 Mt at about 15,5 g/t — though recent mining has taken place off-reef.

There is bound to be a significant reappraisal of the work force. Doornfontein makes heavy use of contract labour underground, a practice not followed by Randgold mines. The possibility must be that these contracts will be ended — though the corollary is that opportunities for permanent employment should expand. Randgold commercial director Brett Keble says it is too early to comment on this aspect.

The life of the merged mine will be between eight and 10 years at current gold prices. This makes quite a change. Doornfontein last paid a dividend in 1989 and Blyvoort in 1992. The latest information suggests that, provided cost benefits flow as expected, new Blyvoort could resume dividend payments next year.

Sigcau dismisses rumour of tussle

Mungo Soggot

BD 21/7/95
(260) ~~261~~
PUBLIC Enterprises Minister Stella Sigcau yesterday dismissed talk that she had crossed swords with Transport Minister Mac Maharaj over Transnet policy.

"I deny any tussle with Mac Maharaj. I don't remember a single instance where we have had a tussle over policy matters."

She said her department was not a "policy" department but an "operational department" which ran businesses like Transnet and Eskom. The two departments had recently agreed to co-ordinate future efforts and to have "direct contact".

It was reported this week that Maharaj called for Transnet policy matters to be brought under his control, but that Sigcau was "displaying a lot of animosity" towards the idea.

Meanwhile, Sigcau said she was confident that the Cabinet would approve her department's guidelines on restructuring state assets next week.

Sigcau denied the guidelines had taken a

long time to prepare — six months — as they dealt with very sensitive issues. Sources have said that the main reason for the many delays of publication was tensions between the departments concerned — public enterprises, finance, post and telecommunications and transport.

Sigcau said privatisation was not on the agenda — "that word is not part of my vocabulary at the moment" — but said that the restructuring of state assets could result in sales to the private sector. "If privatisation should come it should be one of the end results of restructuring."

It is understood the guidelines have moved from using privatisation mainly to rapidly cut debt and towards restructuring state assets to improve competitiveness and overall economic efficiency.

Sigcau said the National Economic Development and Labour Council and other interest groups would have to approve the guidelines before they became final. Some restructuring legislation might be passed in the next parliamentary session.

Govt to discuss assets

■ BY JUSTICE MALALA

The Cabinet is to consider a Public Enterprises Ministry document to restructure state enterprises worth an estimated R100 billion following demands by unions and business for clarity on the issue.

Minister of Public Enterprises Stella Sigcau said yesterday the Government had no intention of privatising or restructuring any of the corporations it was responsible for until it had consulted labour, business and development bodies.

"Sale of the assets is not a major thing, but selling could be the result of the restructuring process. This could involve selling buildings which are no longer being used, but this is not privatisation as such," she said.

Sigcau's ministry is responsible for parastatals such as Transnet, Eskom, Denel and the diamond mining operation Alexcor.

The announcement came after

Cosatu and its affiliates last month resuscitated their campaign calling for a halt to the sale of state assets.

More than 3 000 National Union of Metalworkers of SA (Numsa) members at Eskom and Iscor are to march on the Union Buildings on Wednesday to demand a stop to feared privatisation of some of the parastatals' units.

The union said yesterday Eskom intended to privatise 11 of its business units, including its conference centre, gardening services and security. It said this would adversely affect about 4 000 workers.

Numsa also expressed concern over Iscor's "modernising" plan. It said the plan, which has led to a reduction of workers from 52 000 to 48 000 over the past 10 years, had seen its members forced into early retirement and employees having to carry double their normal workload.

Star 21/7/95 Row over AIDS, miners' insurance

■ BY JUSTICE MALALA

The National Union of Mine-workers (NUM) has called for a joint government, labour and management approach to alleviate rising AIDS infection on mines and a review of an insurance company's intentions to increase miners' premiums to lessen the load on their schemes.

NUM general secretary Kgalema Motlanthe said yesterday about 600 000 mineworkers would be affected by Old Mutual's decision to increase premiums on the Mine-workers Assurance Benefit Scheme by 34% because of a fear of a rise in AIDS-related deaths.

He said the Chamber of Mines had decided that it would not pay the increase and instead the mine-workers' benefits would be reduced from 36 months' salary for death to 26 months to pay for the increased premiums.

But the chamber said in a statement yesterday that negotiations on the scheme and the new premiums were still continuing.

initial draft provid-

Finance and Development

ing the report the focus

Anger over Strydom interview

Source: 21/9/95 (260)

By Pamela Dube

THE SABC has come under severe criticism from black political parties for giving prominence to mass murderer Barend Strydom.

On Wednesday CCV *Newstime* editor Leslie Mashokwe interviewed Strydom on his random shooting to death of eight blacks at Strydom Square in Pretoria in November 1988.

The Pretoria Supreme Court sentenced Strydom to death eight times in 1989, and in September 1992, he was granted political indemnity and released

by the previous government

Asked by Mashokwe whether he would kill blacks again, as he had said during his trial, Strydom replied: "Let's focus on the future and not the past."

Pan Africanist Congress general secretary Mr Maxwell Nmadzivhanani said it was "objectionable and despicable" that a mass murderer was given prominence in a crucial national TV programme, without even balancing it with interviews with family members of those murdered.

Azanian People's Organisation, deputy general secretary Mr Don

Nkadimeng said he was "outraged by this honouring of a racist mass murderer on national television".

"It is morally and ethnically wrong on the part of the SABC to indulge racist zealots in this manner. Nowhere in the world are mass murderers given 30 minutes on television to address the nation and justify their sordid deeds."

Nmadzivhanani said the programme, besides being an abuse of Press freedom, was "irresponsible journalism", especially since freedom fighters who fought for the current change were still languishing in prisons.

Nkadimeng said if the SABC's actions were a justification of the "so-called reconciliation, we say it is going too far. Is it because he had murdered and maimed blacks that he is being so honoured by the SABC?"

African National Congress spokesman Mr Ronnie Mamoepa agreed that Mashokwe should have balanced the interview with representatives of Strydom's victims.

However, Mamoepa said the ANC "respects the independence of the SABC to make decisions on such programmes".

14 FOR W CAPE

75 radio licences granted

CT 25/7/95

(260)

COMMUNITY RADIO is set to take off, with the granting of broadcast licences to 75 new stations. **CLAIRE BISSEKER** reports

FOURTEEN community radio stations in the Western Cape have been granted broadcast licences and most will be on the air by next week.

The Independent Broadcasting Authority (IBA) has licensed 75 community radio stations countrywide "to ensure that a multitude of voices from diverse sectors of South Africa's cultural landscape are heard".

The Western Cape stations are C-Flat Radio, Helderberg Comm Radio, Bush Radio, FMR, CCFM, Radio 786, Radio Atlantis, Radio Matie FM, Radio Namaqualand, Radio Tuinroete, Radio Tygerberg, Radio Zibonele, UCT Radio and Voice of the Cape.

C-Flat Radio is aimed particularly at the Cape Flats community, with a mixture of music, news and informative programmes on social issues. It will target the gaps in the market left by SABC's regional radio stations.

Station manager Mr Jeffrey Kleinsmith believes community radio is well-placed to bridge literacy barriers and address the concerns of peri-urban communities.

The station aims to build a strong developmental component



COMMUNITY RADIO: C-Flat Radio's Ms Caroline Erlandsson (left) station manager Mr Jeffrey Kleinsmith, producer Mr Pumzile Nteyi and Mr Lawrence Beukes in the new station's studio yesterday **PICTURE: ALAN TAYLOR**

into its programming, encourage local musicians and foster religious unity through gospel programmes.

On the basis of research done by the Peninsula Technikon, C-Flat Radio will target those in the 24-36 age group who do not want chat shows and prefer Top 40 music, jazz, reggae and gospel.

Like many community stations, C-Flat radio relies on an

eager volunteer staff and the ability to attract advertising through niche marketing.

The IBA believes community broadcasting is the first step towards empowering historically disadvantaged communities.

IBA co-chairman Dr Sebileto Mokone-Matabane said the need for vibrant and relevant community media could not be overstated.

"What we need is the kind of media that will restore dignity to the people... that will be in touch with their everyday lives. That is the role of community broadcasting," she said.

The IBA has set up a monitoring and complaints division to ensure broadcasters comply with licence conditions and the IBA's code of conduct.

IBA gets more muscle to deal with offenders (219)

Ingrid Salgado

PM 25/7/95

AMENDMENTS to the Independent Broadcasting Authority Act of 1993 have given the IBA more muscle to act against broadcasting offenders, with the regulatory body free to seize pirate broadcasters' transmitter equipment and able to summons witnesses during inquiries.

The amendments vest in the authority all powers relating to broadcasting frequency bands that were previously held by the postmaster general and the posts, telecommunications and broadcasting minister. The amendments are to be effective retrospectively from 28 January last year.

The IBA is also permitted to amend existing licences to ensure fair competition between broadcasters in the same category. This, or any other amendment, is subject to it taking effect after at least half the term of the original licence has run. The authority may stipulate amendments only once during a complete licence term.

The IBA said yesterday the amendments allowed it to consider a number of applications from existing licence holders to extend their broadcast coverage beyond designated areas. This could permit radio and television channels, whose coverage was restricted, to broadcast nationally.

It would consider all applications which did not interfere with its national frequency plan or with the findings stemming from the authority's triple inquiry, it said.

The amended Act places limitations on foreign control of broadcasting signal distribution not more than 40% of a licensee's directors may be foreigners, no foreigner may exercise control over a licensee either directly or indirectly; one or more foreigners may not have more than a 40% financial or voting interest in a licensee.

The new legislation provides for licence holders and applicants to keep confidential financial statements, financial capacity, business plans and the names of prospective employees if this is deemed to be in the public interest.

The Broadcasting Monitoring and Complaints Committee would also be able to hold secret hearings to prevent "prejudice or harm" to any person or to allow a person, whose rights might be adversely affected, the right to rebuttal and reply.

The amendments stipulate there may be a maximum R100 000 fine for witnesses who fail to produce required documents or statements at hearings called by the authority, or who knowingly make false statements before the authority. A maximum R20 000 fine is set for offenders who interrupt or obstruct such hearings.

Broadcasting body

wants deregulation

By Elliot Makhaya

sewetan 27/3/95

(260)

THE National Association of Broadcasters of South Africa was formed in 1991, initially as an organisation which represented established broadcasters

But since then the NAB has amended its constitution and developed its ideals in order to accommodate the new democracy and the changing broadcast environment in South Africa

"Our mission has always been to represent the interests of the broadcasting industry as a whole," says executive director Ms Daniella Goldman

"The NAB strives to be a united voice for the broadcast industry, especially when dealing with the Independent Broadcasting Authority and the record industry

"The NAB has an important educative and informative role and a policy responsibility to the entire broadcast industry in South Africa"

The NAB currently has 25 members, which, includes commercial, public service, community and aspirant broadcasters, as well as signal distributors

The NAB are also reciprocal members of the NAB and the National

Federation of Community Broadcasters in the United States

"The NAB is a consensus body which deals with broad industry issues, including freedom of speech and democracy," says Goldman

"We were recently invited by the IBA to participate in the drafting of omnibus legislation for the Public Service Broadcaster"

Goldman says that this year they made a presentation to the parliamentary select committee on communications on amendments to the Independent Broadcasting Authority Bill

"We were successful in amending certain sections, and were formally requested by Parliament to undertake further research into similar legislation in Canada and Australia."

The NAB also made presentations to the IBA on local music content quotas for radio in April and commissioned an Australian expert for assistance in the matter.

Its goal is deregulation and freedom of the airwaves and it encourages membership from all classes and categories of broadcasters

The NAB also founded the Broadcasting Complaints Commission of South Africa In August 1993, the NAB—in recognition of its responsibility to the public—created the

BCCSA

The NAB members have to date spent R953 000 on the BCCSA "In the spirit of democracy," says Goldman "NAB has agreed to separate the BCCSA from its administration"

Other objectives of the NAB include promoting a system of broadcasting in South Africa that respects freedom of choice for viewers, listeners and broadcasters; and creating a favourable climate for broadcasting in South Africa

NAB members

Aerial Empire, Association of Marketers, Broadcast Development Group, Can Community Radio, Circle Broadcasting Corporation, Go-Tell Communications M-Net, NCC (Sasob), Orbicom, Radio Egoli, Radio Pulpit, Radio Tlaks, Radio 702, Rapid Blue, SABC Radio Active, SABC Radio, SABC Television, Sentech, Soundfusion, The Classic Music and Broadcasting Company, Transkei Broadcasting Corporation, Trans World Radio, Trinity Broadcasting Network, Videosport and, Winterfeldt Community Radio Station.

NAB chairman Stan Katz

By BRIGHT MWAPE
Lusaka

NEWSPAPER reports that a cabinet minister referred to Zambian president Frederick Chiluba as a "twit", that senior aides tried to shield the president's son from criminal prosecution, and that Mr Chiluba allegedly had an extra-marital affair, have sparked a harsh crackdown on the press.

About 13 Zambian journalists have been arrested, detained, or are facing trial for writing articles critical of Mr Chiluba and his ministers — and the government is considering steps to force journalists to apply for licences.

The government's ire was sparked by the publication of a cabinet minister's testimony in court that Mr Chiluba was a "twit". It was claimed that, although court proceedings are privileged, newspapers should not have carried the report out of respect for the president.

Then came allegations that Mr Chiluba was having an extra-marital affair — after the president had fired a colleague for a similar offence and warned his cabinet ministers to adopt high moral standards of behaviour.

Show president due respect — or face consequences

CRACKDOWN ON ZAMBIAN PRESS

ST 30/7/95

(260)

Newspapers also came under fire for reporting that a top aide had tried to shield the president's son, Castro, from prosecution after the young man had punched and shot various people.

When Mr Chiluba's Movement for Multi-Party Democracy defeated the legendary Zambian leader Kenneth Kaunda in October 1991, it said it was committed to press freedom.

However, instead of repealing already harsh censorship laws, the government, which faces a general election next year, has imposed further restrictions on the press and is considering yet more laws.

Kelly Walubita, the former minister of information, said "We need professionalism in the media. Now journalists can write anything and very irresponsibly. Their own press

association is toothless to deal with them, so I have been directed by cabinet to table before parliament within 60 days, a bill to form a statutory regulatory body for journalists."

Mr Walubita was moved to another ministry in unrelated circumstances.

The government's moves have attracted widespread criticism, and many Zambian journalists believe the new moves are an attempt to manipulate them in the run-up to a general election in October 1996.

Amnesty International has criticised the attempts at censorship, as have diplomats and PEN, the international association of poets, playwrights, editors, essayists and novelists.

The executive director of the Canadian-based Committee to Protect Journalists, Wayne Sharpe, said "As defenders of press

freedom everywhere, we ask government to abandon its thinly veiled attempts to muzzle the media of Zambia."

The creation of the Media Association of Zambia by government "will be used as a tool to deny certain journalists the right to practise their profession", he said.

The editor-in-chief of the Post newspaper, Fred M'membe, his editor, Masautso Phiri, and two other journalists at the paper face 13 criminal charges for articles related to the president and the government.

"The situation for journalists in Zambia has become more repressive than under the so-called dictator, Kenneth Kaunda. We don't have press freedom in Zambia," Mr M'membe said.

A Zambian journalist, who works for a govern-

ment newspaper, said "In this country a journalist can be arrested for criminal libel and sued for civil libel."

"Further, the president has legislated power to ban any newspaper, and our whole system is given to abuse. So what more control do we need?"

Last year the government hastily enacted a law which compels journalists who write offending articles about members of parliament and ministers to appear before a tribunal and justify their story — including naming its source.

Although journalists in the independent media have sworn to disregard this law, some have already appeared before the tribunal, been pronounced guilty and handed over to a normal judicial court for trial.

Privatisation plan excludes radical change

By EDYTH BULBRING
Political Correspondent

PRIVATISATION proposals tabled before cabinet this week rule out any radical restructuring of large state enterprises providing basic services — like Eskom and Telkom — in the near future.

Instead, smaller enterprises which either make a loss or do not provide an essential basic service may be liquidated, sold or restructured.

After months of to-ing and fro-ing, Public Enterprises Minister Stella Sigcau this week tabled a document to be discussed with stakeholders such as business and labour, on restructuring state assets.

The document avoids the word "privatisation" and

instead talks about "restructuring", defined as "substantial changes that affect ownership, accountability, function and location in the public sector".

The document, bound to disappoint businessmen waiting many months for a decisive report on the issue, says that each public enterprise should be subject to four "processes".

The enterprise would first be examined to see whether it served a basic need. Eskom, Telkom, Spoornet, the Post Office and the SABC, are listed as falling into this category and are unlikely to undergo radical restructuring in the short term.

"Change of ownership of these enterprises from public to private without regulatory protection could lead to the inability of the state to realise tar-

gets set out in the RDP," says the document. "However, the RDP does not preclude the possibility of public-private partnerships."

State enterprises falling into the second category are those having a national security or strategic role, such as Denel, Petronet, the Atomic Energy Board, Mossgas and SAA.

Those in the third category play no visible role in the RDP. They are categorised as profitable — such as Sun Air, Autonet, Safcol and Alexkor — and non-profitable — such as Transkei Airways and Aventura.

"Loss-making state-owned enterprises in this category that are being supported by either cross-subsidisation or state subsidies may have to be sold or liquidated."

The second process is an assessment of each enterprise "in relation to the development of sectoral policy."

"As the state-owned enterprises in category one are vital to the success of the RDP, their restructuring should only occur once sectoral policy has been substantially developed," the document says.

But the restructuring of those enterprises in the second and third categories may happen simultaneously with the development of sectoral policy as they are of lesser significance to the RDP, the document says.

The third process would be to, among other things, review the composition of the board and management of each enterprise. This process has already begun.

The fourth process requires taking "hard decisions" as to the future of each enterprise.

The document says the involvement of the private sector in state-owned enterprises which provide services such as electricity, water, and telecommunications had to be carefully regulated.

"However, through public sector facilitation and regulation a partnership with private sector capital, management, technology and access to markets is possible."

The document also says that, in considering whether to restructure state assets, the rights of labour should not be adversely affected.

Iscor restructures staff

By ROY COKAYNE

(260)

CT(132)118195

Staff at Iscor's head office, which employs 1 600 people, is to be substantially reduced

This follows a decision by Iscor's top management to implement a decentralised management approach.

Hans Smith, the managing director and the chief executive of Iscor, quoted in the latest edition of the company's newsletter, The Iscorian, said the head office would

accommodate substantially fewer people by this time next year.

The newsletter described the decentralisation programme as far-reaching and traumatic, but it included positive business orientated changes. Smith said it would be introduced over 18 months.

Smith said it was not a staff reduction exercise. He said a report by the McKinsey Group, the American management consultants, identified a number of head office posts which would be lost.

(260)
ISCOR
New billets?

FM 11/8/95
Steel giant Iscor plans to shed more than two-thirds of the 1 600 staff at its Pretoria head office by June as it implements a decentralised management approach

Though many staff may stay in proposed new business units, personnel at headquarters will be whittled down to 500. And the rationalisation may not stop there. Industry analysts say about 100 people in the international marketing division may have to find new positions by the end of the year as Macsteel International takes over the group's global marketing operations.

Until now, Macsteel has marketed about half of Iscor's 2 Mt/year steel export business. But in terms of Iscor's new partnership with Macsteel — Iscor paid R60m for a 50% share in the marketing group — the joint venture will handle all Iscor's steel exports from January 1.

Benefits to Iscor will be its 50% profit share in Macsteel's global operation and the fact that, when the next expected cyclical downswing arrives in 1997-1998, Macsteel will give priority to marketing Iscor steel.

Iscor MD Hans Smith confirms that the head office will have "substantially fewer people by this time next year." He says the main reason is the need to make the group internationally competitive.

Trade & Industry Minister Trevor Manuel, meanwhile, has disclosed that over the past three years Iscor was the largest recipient of government's Geis subsidies.

Iscor's bottom-line profits were boosted by more than R500m in tax-free export subsidies — R216,4m in 1992-1993, R164m the next year and R120,6m after that.

In the three years of Geis benefits, Iscor's attributable income totalled R512m, R283m and R336m respectively. With Geis falling away, it therefore faces the reality of cutting costs and improving productivity to grow its own attributable income.

Though Iscor will no longer get Geis subsidies, its future export efforts should benefit under Gatt. While the company receives only about 5% tariff protection — below SA's 10% Gatt binding offer — it should obtain beneficial entry into more overseas markets as tariffs decline.

But local customers will still have to accept Iscor's two-tier pricing policy — lower prices for exports than for local sales — as its local mar-

ket import parity pricing policy is effectively protected by SA's high transport costs.

Even without tariffs, transport costs on imported steel allows Iscor to price its local market sales substantially higher than its exports, where it has to compete with large global suppliers.

Smith says the group's mining and steel divisions will operate separately, with each steel plant a separate profit centre.

With the appointment of Ben Alberts as mining MD and Kevin Robertson as steel MD, "we have started the decentralisation process initiated by the previous executive leadership." By June next year, the company will have dedicated management for each steel plant, who will run their own budgets and be responsible for production and marketing.

"This makes sense as each plant is dedicated and will not compete directly with the others. Vanderbijlpark makes flat products, Newcastle long products, Pretoria will be the stainless steel producer and Vereeniging makes speciality steels," Smith adds.

Creating jobs

He says the need for international competitiveness is the driving force behind group rationalisation and decentralisation. "Only after we have achieved this will we start expanding and thereby create more jobs in new world-competitive operations."

Iscor is on a major expansion drive, with its 480 000 t/year Pretoria stainless steel slabs project and proposed R4,7bn Saldanha Bay mini mill (capacity 1,2 Mt/year) expected to put a rocket under earnings by 2000. The latter project is still subject to the findings of the Steyn environmental impact investigation.

Iscor is expected to present sparkling results this month, with local sales (including coal to Eskom) and exports benefiting from booming demand. It recently obtained a 9,9% price increase in the Far East for its high-quality lumpy iron ore (against a 7,9% rise negotiated by Australian exporters). Domestic market despatches are 17% up in the first five months of the year, against a 9% projected increase.

Though the bottom-line benefits from the new Pretoria stainless steel plant and perhaps the Saldanha mill will start to kick in only from mid-1996, market projections are that earnings per share should show a 93% increase for the year.

Analysts predict that the Saldanha mill "should generate dis-

tributable profits of around R600m (or 27c a share) at full production by 2000, with the stainless steel mill contributing a further R680m."

BLUE TRAIN

Ripping idea

About R50m is to be spent on upgrading SA's two Blue Trains, says Spoornet CE Braam le Roux.

The interiors will be ripped out and rebuilt completely, says Le Roux. He adds that the changes will include "revolutionary" ideas, but declines to elaborate. Refurbishment is scheduled to start in January.

Blue Train manager Kishore Seegoolam says that, as it is now the low season, passenger demand only fills 70% of one train, so they alternate. But when demand peaks in summer, both trains will operate at 90%-95% of their combined capacity.

The quality of food served on the train has recently come in for severe criticism in several travel journals. But rail operations GM Leo Petkoon says Seegoolam was recruited from the hotel industry "to place greater emphasis on catering and guest services. We have also started negotiations with the renowned Butler School in Britain to retrain Blue Train staff."

One-way fares between Johannesburg and Cape Town are presently pitched at between R2 200 and R6 600 for a suite for two. These will increase to between R2 500 and R8 300 on January 1.

BUSINESS LEVIES

Sitting targets

Organised commerce and industry in greater Johannesburg has come out strongly against a 15% increase in levies to fund a R56m shortfall for township services.

Previously known as regional services council levies, the Transitional Metropolitan Council (TMC) levies will increase business contributions to finance substantial cross-subsidisation of former black local authorities by once-white authorities.

The original levies came in at 0,3509% of salaries and wages and 0,1408% of gross turnover. The 15% increase will push these to 0,381% and 0,151% respectively. The TMC is entitled to raise the levies under the Local Government Transition Act.

Johannesburg Chamber of Commerce & Industry CE Marius de Jager says the TMC has shown it regards business as an easy target to meet revenue requirements.

Soon after the budget proposals were tabled, TMC finance committee chairman Ian Davidson warned that greater Johannesburg faced a debt trap unless service pay-



Smith substantially fewer people

When a volunteer or was
parents, would again try

ISD members are now

lords over territory

gangs outside the sta-
about gang activities.

■ BY ABBEY MAKOE
SOWETO BUREAU

Soweto listened to itself yesterday. It was mid-day, on 105.8 FM. And, as an enthusiastic young deejay, Mpho Mhlongo, said "You've got it at last. Your very own radio station."

Dozens of volunteers crammed the station's offices in Dube, delighted to simply be associated with a radio station. Others, of course, confessed they were looking

Soweto's voice takes the air

(28) Star 2/8/95

And in a betting ges-

for employment. The station's first news bulletin at lunchtime was read by young Busi Nhlapo.

The station's mission was outlined "This radio station will concentrate on the residents of Soweto and tackle their daily problems such as crime, child abuse, women abuse, teenage pregnancy and many other topics."

ture, the station's management — youngsters aged between 16 and 23, invited Soweto mayor Danny Kekana to the opening day.

Kekana was also given about 10 minutes of air time.

"This medium is going to make things easier for us, the people of Soweto. It is going to promote the free flow of information,"

Kekana said

He appealed to the management of the station to invite school principals and various educators to their studios as guests. "That may help to bring back the culture of learning and teaching," he said.

As Kekana, who has been blind since he was stabbed by thugs several years ago, was led out of the studio, he concluded.

"This station can only be what it ought to be if people take part in it."

One deejay after another came into the studio to introduce themselves and the programmes they would be hosting.

The station will be on air every day from 12 noon until 10 at night. Topics which will feature prominently include women's, children's and environmental issues, sports and entertainment.

SABC puts its ethics up for sale

WIM 4-10/8/95

In a blatant breach of international public broadcasting ethics, the SABC is screening promotional material which pretends to be educational, reports **Justin Pearce**

THURSDAY afternoon on CCV-TV. You've recently had a baby, so when you hear that toilet training is the subject of today's *A Guide to Health*, you take notice. The programme starts with some advice on when and how to train your child, and moves on to explain how "training pants" — a cross between shorts and a nappy — are an important stage in the transition away from nappies. Then comes the punchline. "An excellent product is Huggies Pull-Ups training pants."

The 10-minute slot continues in a similar vein, with at least two direct references to Huggies Pull-Ups in the midst of what sounds like objective advice.

It tells how children might become frustrated if they can't exercise the required degree of bowel control and informs you that "Huggies Pull-Ups help to alleviate this frustration."

A Guide to Health, broadcast twice a week on CCV, is one of the more blatant examples of programmes which plug products under the guise of neutral advice. In other cases, the product promotion is slightly more subtle; for example, *The TV Dentist* on TV1 appears in front of a poster advertising Den-lazyme toothpaste. While the product is not mentioned in the voiceover, when viewers are advised to "use a good toothpaste", this coincides with film footage of someone brushing their teeth with Den-lazyme.

All the SABC officials who spoke to the *Mail & Guardian* — including chief executive Zwiakhe Sisulu — agreed that the pitting of commercial products under the guise of educational material was not a good practice. Many were surprised to hear such programmes had been screened, claiming not to know about the product promotions.

Sisulu said the SABC is in the process of reviewing its code of ethics. But several officials appear to support a conditional approach to ethics, saying that the need to fund educational programmes must be taken into account.

Others said the first priority was to keep education programmes on the air — and that pitting the products of sponsors might prove to be the only way of keeping the programmes viable. The programmes are produced by Saittel, the SABC's in-house production unit, apparently in co-operation with the sponsors. Saittel representatives were not available for comment.

Elsewhere in the world, stringent restrictions ensure that sponsors do not have a say over programme content. That stalwart of media independence, the British Broadcasting Corporation, has regulations banning programmes that are "funded by a third party, in exchange for a credit or announcement mentioning the sponsor, their goods or services." Britain's Independent Television Commission lays down similar regulations for independent broadcasters, and the position elsewhere in Europe is much the

same. In countries where regulations exist, they are generally based on the principle that any advertising material must be confined to a space which is clearly recognisable as an advertisement.

In South African newspapers, advertorial — material that looks like news, but which is placed by advertisers — is normally marked as such. A newspaper which ran advertorial under the guise of objective reporting would be liable to be censured by the Press Council of South Africa, which lays down restrictions regarding the objectivity of reporting, as well as by the Advertising Standards Authority (ASA), which insists that newspaper advertorial must be clearly identified.

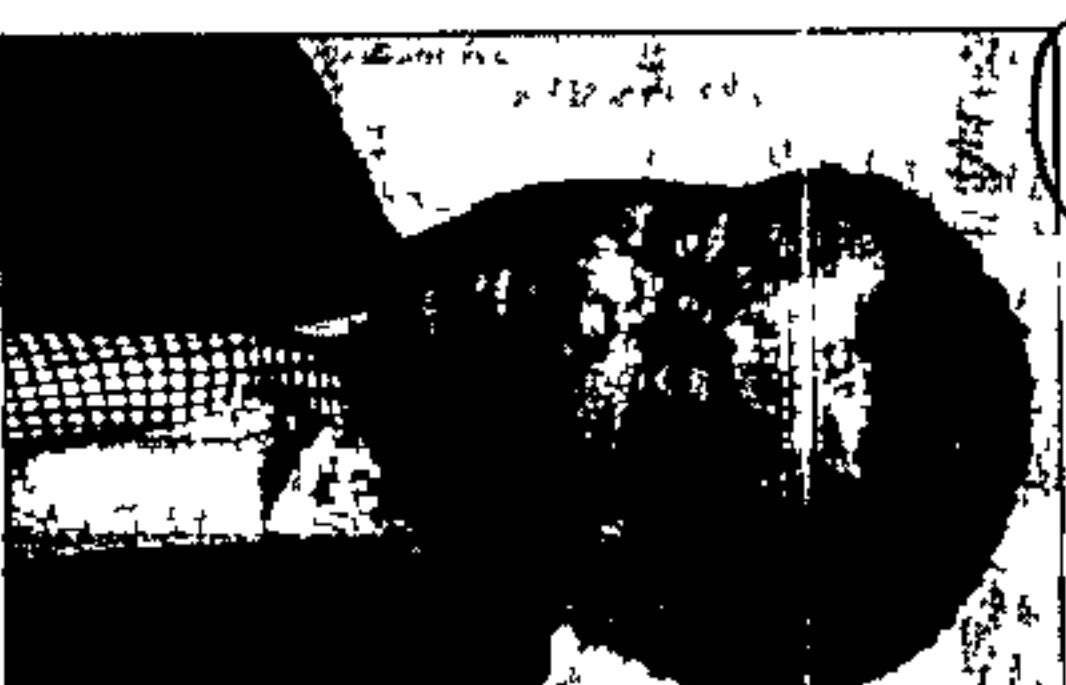
But, when it comes to broadcasting, there are no clear guidelines on advertorial. ASA media director John Koch said the ASA has never handled a case involving advertorial in the electronic media and there is no certainty over how advertorial on the air should

be identified. Renee Conrad of the Broadcasting Complaints Commission (BCC) — the electronic media equivalent of the Press Council — said she thought product promotion ought to be regulated but that the BCC guidelines do not presently cover this area.

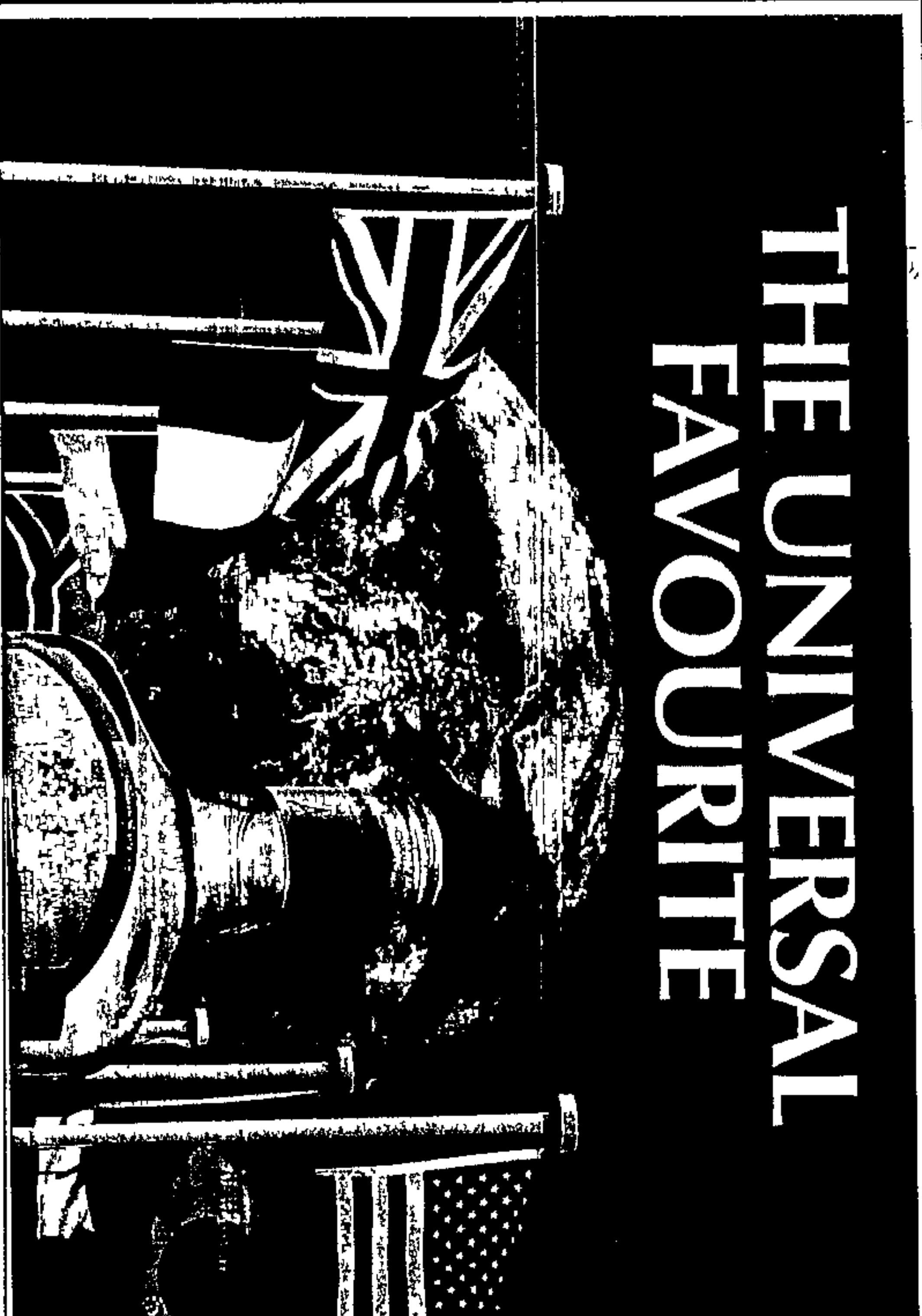
The Independent Broadcasting Authority is known to be concerned about product promotions in sponsored programmes. The results of the IBA's Triple Inquiry into the SABC's role as public broadcaster are to be released later this month, and IBA sources have hinted that the report might address the issue of sponsorship.

One of the major concerns of the Triple Inquiry is the question of funding for the SABC as the national public service broadcaster. If the IBA does not tackle the issue of product promotions head-on, indications are that the issue could be sidelined by a cash-strapped SABC.

"We're in a grey area regarding ethics," one senior SABC source said. "We must first find the answer to the corporation's funding — and once we have that we can establish ethics."



SABC chief Zwiakhe Sisulu. It's not a good practice. PHOTOGRAPH: STEVE HULTON-BAKER



SABC presents united front in an attempt to increase ratings

By JANET SMITH

A united front has been presented in the SABC's Television News Production's (TNP) department as producers and presenters ready themselves for tomorrow night's launch of the new current affairs line-up, which will combine English, Afrikaans, Nguni and Sotho

New TNP editor-in-chief Jill Chisholm is at the helm of new shows marked by interaction of black and white journalists previously divided by the CECV's *Newsline* and TV1's *Agenda*. Changes to TNP's programme were expected earlier, but alleged dissension among staff presenters and content over presenters delayed the slot will be filled by documentary

material anchored in the vernacular by Reggie Morobe. The old *Agenda* slot will be transformed into a regular town meeting-style show hosted alternately by Leslie Mashokwe and Freek Robinson. On Monday, CECV will present a hard news current affairs show in the vernacular which will be presented by Leslie Mashokwe. TV1 will

offer an interview show led by Freek Robinson in Afrikaans. On Tuesday, Max du Preez will do a debate with leading political personalities. Wednesday's *Newsline* slot will be filled by Sylvia Vollehoven with interviews and documentary material in English. On Thursdays, Penny Smythe presents current affairs on TV1

By the community,

The interesting articles by Dr Sebileto Mokone-Matabane and William Lane of the IBA on these pages during the past two weeks touched on some issues concerning community radio that should be taken further.

The first issue concerns the nature of a true community station: "Mokone-Matabane suggests, among other things, that it should 'be in touch with the basics of the community's everyday lives'"

This is true, but not the whole truth. As Paul Ansah, the Ghanaian communications scholar once put it: "The right to communication does not only consist of the right to speak, but also the right to be heard and the right to be given the channels through which to be heard."

At the heart of community radio lies the essence of human rights and communication. And while this aspect is ignored, the whole question of community radio is going to be fudged.

ALX FM 89.1, the community radio station serving the Alexandra community, went on air last Saturday.

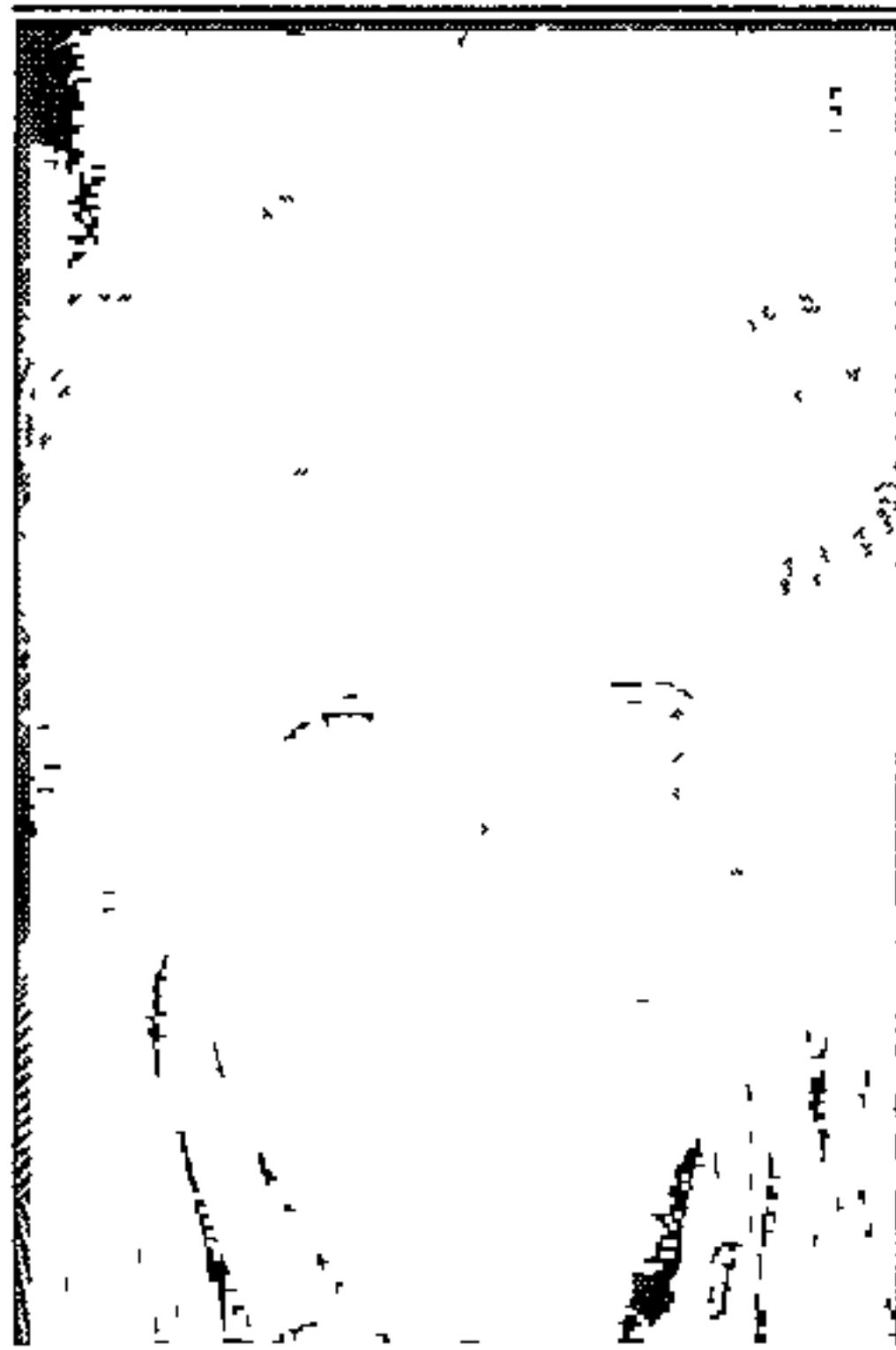
It is arguably one of the few true community radio stations according to Ansah's criteria. (Oddly enough, it did not feature in the list of community radio stations that Mokone-Matabane mentioned.)

ALX FM does not conform to the usual categories of community stations spelt out in her article: specific interests, universities and cultural/religious groups.

While it is true that community radio stations are notoriously difficult to define, it is generally accepted that there is one simple rule-of-thumb.

A true community station is broadcasting by the community rather than for the community. This cuts out the patronising or domination by a clique that so often passes for community radio.

GUEST SPOT



Our guest columnist is **PROF JOHN VAN ZYL**, director of the Applied Broadcasting Centre, a non-profit NGO dedicated to training and research in the use of the broadcast media in education and development.

That is why community radio also calls itself "access radio", or as ALX FM likes to call itself, "walk-in radio". None of the usual categories listed above provide for broadcasting by the community nor are they "in touch with the basics of the community's everyday lives".

Another crucial issue is the relationship between the station and the community it serves. Too often the personnel of a community station are removed physically and culturally from the community they serve.

That is why the station manager and three of the five presenters/producers are residents of Alexandra. This is an important element in the structure of the station and is part of the mission statement of the station.

Not only should it serve the community, but it should also provide employment opportunities for the citizens of the township. To enhance this function, every producer has three members of the youth of Alexandra as trainees/assistants.

A third issue is the nature of the programming. Too many

community stations end up sounding like poor relations of Radio 5 Stereo. It takes time and energy to be in touch with community issues. It is far easier to simply broadcast middle-of-the-road music.

So another unique feature of the ALX FM set-up is that each producer/presenter has a portfolio. These are Women's and Community Affairs, Education, Health, News and Sport, and Music and Culture. This means the initial training consisted of educating the presenters in community journalism.

Getting to grips with the dimensions and problems within each portfolio topic and establishing strong links in the community with the appropriate authorities. For instance, the health presenter has consulted the Alex Health Clinic about urgent health concerns and they have suggested subjects for programmes. Only after these community journalism links were established did the second phase of teaching radio techniques begin.

Through this sequencing of

training we could ensure that the community of Alexandra owned the station and accepted responsibility for its proper functioning in terms of giving a voice to the community.

ALX FM is today rather like one of those old-fashioned party-line telephones where everyone listens in and knows everyone else's business. During a day, important community issues like the state of the roads or the invasion of the east bank by squatters share equal importance with events like a lost child or the announcement of a stokvel or funeral.

The last unique characteristic of ALX FM is the fact that although the community "owns" it through its local presenters, it is run according to professional practices.

Paradoxically, a community station cannot be an amateur station. It cannot be run by a bunch of enthusiastic young people who rely on music and phone-ins to make up the programming. This does not attract advertising or sponsorship and has no financial viability.

ALX FM has a station manager who manages the financial aspects of raising revenue through sponsorships and commercials.

Policy decisions are taken by a Board of Trustees that is fully representative of the community, while the implementation of Board decisions is undertaken by a Management Committee.

Through the judicious placing of commercials at the end of a programme, sufficient funds will be generated for ALX FM to be self-sustaining in three years.

All these issues need to be discussed more fully in order to educate the community at large about the necessity for true community stations to fulfil the mandate that the IBA has spelt out.

■ John van Zyl is chair of the management committee of ALX FM.

for the community

SABC to sell six regional stations

ET 7/8/95 (260)

JOHANNESBURG: The SABC said yesterday it planned to sell six of its regional commercial radio stations

SABC chief executive Mr Zwelakhe Sisulu said the move had been approved by the SABC board

The six stations are Kfm in Cape Town, Highveld Stereo, Jacaranda Stereo, Radio Algoa, Radio Oranje and East Coast Radio

Mr Sisulu said the sales would only take place after Parliament had decided on funding and the role of the group as public broadcaster

Reacting to the announcement, the South African Union of Journalists (SAUJ) said it believed the SABC should retain commercial stations until there was clarity about the future funding of the corporation.

SAUJ vice-president Mr Attie Schoch said "The SAUJ believes that to democratise the airwaves, more independent voices should be introduced. The selling off of a number of the SABC's commercial radio stations will open up the airwaves and allow the SABC to focus on its primary objective, which is to be a proper public broadcaster"

Clarity

Mr Schoch said the SAUJ also noted the absence of a clear government position on the future funding of the public broadcaster

"The SAUJ therefore supports the position that commercial stations should be retained until there is clarity about the future funding of the SABC," he said. — Sapa-Reuter

SABC sells 6 regional stations

(260) source 7/8/95

Union against current efforts to
democratise the country's airwaves

THE SA Broadcasting Corporation has announced that its board had approved proposals by the Independent Broadcasting Authority that it reduce its radio portfolio by selling six regional commercial stations

The stations up for sale are East Coast Radio (formerly Radio Port Natal), Highveld Stereo, Jacaranda Stereo, KFM, Radio Algoa and Radio Orange

Buyers of the stations will be able to use the same name, format and frequency

Reacting to the move, SA Union of Journalists vice-president Attie Schoch said his organisation believed the SABC

should retain the commercial stations until there was clarity about the future funding of the corporation

The SABC said it wished to retain Radio Good Hope and Radio Lotus as they both broadcast to communities not served by other SABC stations. It would also retain its national commercial stations 5FM, Metro and Radio 2000

Radio 2000 would continue to be used for television simulcast and other utility functions essential for the overall functioning of the SABC as the nation's public broadcaster

Schoch said "The SAUJ believes that in order to democratise the airwaves, more independent voices should be introduced" - Sapa

Xhosa station takes to the air

CT. 318/95

RADIO ZIBONELE, a community radio station based in Khayelitsha, returned to the air yesterday after an 18-month silence.

The community station, staffed by volunteers, broadcasts mainly in Xhosa on Mondays, Wednesdays and Saturdays from 9am to 7pm on 98.2 FM.

260

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Jordan gets broadcasting report today

SPECIAL CORRESPONDENT

JOHANNESBURG The long wait of aspirant commercial broadcasters reaches another milestone today with the presentation of the Independent Broadcasting Authority (IBA) report to Broadcasting Minister Dr Pello Jordan.

IBA chief administration officer Mr Harris Coawen said the minister would have 14 days to submit the report — on the future and funding of the public broadcaster and cross-media ownership — to Parliament.

Although not required by the IBA Act to be submitted to Parliament, the proposals on local content are expected to be included in the report.

Direction on granting commercial licences also expected.

(260) 25.8/8/95

provide a comprehensive guide to the various broadcasters you can tune into all around the country

Springtime

(265) Wm 11-17/8/95

Wide viewpoints of people excluded from mainstream media, goes on air on October 1, in English (90 percent), Swahili, Arabic, on 84.5FM

Radio Phoenix will broadcast from Durban's Phoenix township to 8 000 potential Indian listeners, in English, Tamil, Hindi, Telegue, Urdu, Gujarati, at 88.4FM On air next month

Durban Youth Radio has a test run on August 19 and 20, to coincide with Albert Luthuli Day Staffed by student volunteers, supported by University of Natal/Durban On air weekends

Good News Community Radio is a Christian station, broadcasting from Jivannadi Mission, Phoenix to Stanger on 98.2FM

Radio Kwezi (Inkanyezi Yokusa) goes on air on September 1 on 90.5FM, broadcasting in English and Zulu to northern Midlands

Gauteng

ALX FM (81.9FM) A talk and music station aimed at the Alexandra community, in English, plus Nguni and Sotho languages, including *tsotsitaal*, 5.30am to 8.00pm every day

Vaal Community Radio (90.6FM) Aimed at 20- to 50-year-old age group in Vaal area, broadcasts in English, Afrikaans and "black English", 24 hours a day Talk and music

RADIO TUKS (107.2FM) Aimed at and broadcast by University of Pretoria students in English and Afrikaans, from 6.00am to 12.00pm daily Music and talk

SMART FM (97.2FM) Aimed at road-users and general public in the

Sotho and *tsotsitaal* From noon to midnight, community development programmes, talk shows, music

RADIO TNT (96.2FM) Aimed at young people, broadcast by Technikon Northern Transvaal students in English, Tsonga, Venda, Zulu, North Sotho and Tswana for 18 hours a day Features youth programmes, entertainment, education, Sohangwe and Mabopane areas

RADIO AFRIKANER (93.6FM) Aimed at Afrikaans-speaking under-50-year-olds, from 6am to 6pm in the Pretoria area

NEW PAN-HELLENIC VOICE (828MW) Aimed at Greek-speakers in Gauteng, Bloemfontein and nightly in Durban Broadcasts Greek and Cypriot news, local news and Greek music plus talk shows

RADIO PRETORIA (104.2/106.6/107.5FM) Aimed at Afrikaans cultural community On from 6am to 1.0pm, Boeremusiek, German and Dutch music

RADIO HORIZON (93.9FM) Aimed at West Rand listeners of all age groups Broadcast from Rodepoort in English and Afrikaans, 24 hours a day. International and local news, sport and actualities

Still to be launched:

Al Mughni (Muslim), **Al Saut/The Voice** (Muslim), **Buwa Community Radio**, **Cani Community Radio**, **Channel Med** (campus), **Chinese Radio Station**, **East Side Story FM** (stokvel), **Hope FM** (religious), **East Wave Radio** (aimed at an Indian listenership), **Im**



Get on the airwaves: Students in Alexandra township try their hand at broadcasting

PHOTO STEVE HILTON BARBER

lim), **Radio Rippel** (youth), **Radio Sedaven** (campus), **Radio Tomorrow** (for senior citizens), **Radio Visarend** (Afrikaner culture), **Radio West Rand** (religious), **Rainbow People Community Radio** (aimed at coloured community), **Voice of Soweto** (aimed at Sowetans).

North West

RADIO CHRISTIANA (93.60FM) Aimed at 18- to 65-year-old Christians, in English and Afrikaans, 14 hours a day Community news, educational programmes, and news actualities

Northern Province

RADIO TURF (103.8FM) Aimed at youth aged between 12 and 25 Broadcast in Sepedi and English from 6am to midnight from Turfloop University Current affairs, talk shows, "sexually speaking" and entertainment

Eastern Transvaal

TEKS RADIO (104.9FM) Aimed at Teks (Treichardt, Evenda, Embalenhle, Kinross, Secunda) community, English and Afrikaans, 9am to 6.30 pm

(Ndebele), **Radio Safari** (focusing on nature conservation)

Free State

KOPPIES STEREO (104.1/101.7FM) Aimed at Afrikaners of all ages On from 6am to 11pm Local and international news, sports, interviews, music, educational and religious programmes

RADIO VRYHEID (100.6FM) Aimed at Afrikaans community in Bloemfontein, from 6am to 10pm daily Afrikaans cultural programmes, *boeremusiek*, actualities local news and



SABC Television News Productions head Jill Chisholm in THE MARK GEVISSER PROFILE

Clean queen of the toxic news dump



Jill Chisholm When she got involved, 'things which had not been sorted out in six months were decided in a day'

PHOTO RUTH MOTAU

WHEN Jill Chisholm — a Lois Lane in tweed twinsets — was sent off to cover Parliament for the *Rand Daily Mail* in 1969, a certain Cabinet minister would hiss at her every time they crossed paths. "Gif in Klein Botteljies."

She was the first-ever female political correspondent in the land. At first, she remembers, "there'd be the patronising stuff of 'here's this girl and she's coming to do this job' ha ha ha. But if your work is decent enough, you'll show them up sooner or later, and then they start reacting to you in an entirely different way: they become hostile to you. And that's where all good journalists should end up."

Where Chisholm has ended up is running the SABC's Television News Productions. Unlike other returnees — who worked as PR officers for sanitation departments while abroad, and are now still peddling sewage on SATV talk shows — Chisholm is the real thing: she comes from an illustrious two-decade career at Independent Television News in London.

She jokes that she should hang a sign saying "Gif in Klein Botteljies" on her door at the TV Centre. It might be more appropriate to drape a huge banner warning "Gif in Large Canisters" between the Brixton Tower and the Piet Meyer Building. From the rotting carcasses of propagandistic times past to the anarchic, backbiting, desperate, disillusioned moodswings of today, the SABC has become one of the toxic dumps of this transition.

Zwelakhe Sisulu might be finding his feet, SABC might have stabilised. African-language soaps might be topping the ratings. But things are still dismal over at TV news and current affairs. When did you last watch *Agenda*? And how many journalists attending press conferences now seem like old friends to you because of those long, slow pans over scrawling hacks that TV news editors seem to be so inexplicably fond of?

Once Television News Productions was released from the iron grip of Johan Pretorius and Christo Kritzing, it went haywire. Democratisation became anarchy. Ameen Akhalwaya lasted weeks, Nico van Burick left after allegations of links with Military Intelligence, and poor old Bob Kearsley was sent squealing back to the torpid antipodes. Staffers spent so much time tearing each other's eyes out over *The Way Forward* it's a wonder the news got out at all every night.

Chisholm is utterly unfazed. When I offer my condolences and ask her if she is surviving, she cocks her head and looks at me as if she doesn't understand the question. "I'm loving this job," she says. "How could anyone not?" She is completely in control; precise and clipped, friendly

in a distant sort of way, and very clear about boundaries. Leading me into her office, she puts between us the widest possible expanse of table.

At the first meeting she had with the TNP staff, one of them recalls, "she gave us a chance to express all our frustrations, and then, without even saying much, made us feel like we should stop whinging and start working. A number of us left the meeting feeling quite stupid." I know the feeling. I felt the same way when I asked a question she didn't like. She'd very politely dispute its premise and that would be that.

She wears no make-up, and her tweeds are not power-suits; she eschews the dominatrix-drag of stilettos and pencil-skirts in favour of an image of dependability. That, after all, is what managed to move her from the *Rand Daily Mail*'s women's page into politics. "It took me a long time to get away from writing gossip at opening nights. And the way I did it was to become reliable. There's nothing as good as getting a woman into places as becoming reliable. I could cover anything, and I wasn't going to make a mess of it."

Chisholm was brought up by a single mother, a nurse, in Parktown boarding houses. She did not go to university. When she left South Africa with her husband (fellow RDM journo Sean Stiles) in 1971, she arrived cold in Britain. Within a decade she — a colonial, a woman — was executive producer of the ITN *Ten O'Clock News*, one of the most-watched broadcasts in the country.

She is, by her own admission, ambitious. "We do have to address gender issues in our programming," she says at one point in our conversation. "And heaven forbid, as a woman, that I wouldn't have that view, because I think my whole life is an illustration of the problems women have." When asked to elaborate, she says "Women get places slower than men." She is in her 50s.

When she took direct responsibility for the merging of *Agenda* and *Newsline*, things which had not been sorted out in six months were decided in a day. "She walked in," says journalist Callie Long, "took the current affairs issue up and brought it to a point. She managed to focus a staff that was demoralised, worried and panicking. It's a rare quality."

The new-look *Agenda/Newsline* was launched last Sunday. In her assessment of the first three days of programming, Chisholm is perhaps a little too upbeat, even though she feels that on Tuesday night Max du Preez did

not intervene enough in the "crossfire" debate between pro-lifer Claude Newbury and pro-choicer Marj Dyer, and she was disappointed in the way that Leslie Mashokwe's panel discussion on health issues "just failed to get going."

Du Preez did withdraw rather uncharacteristically, while Dyer and Newbury carried on like an old married couple who had been through the same fight one too many times before. And Mashokwe's debut on TV1 was dreadful — nine parts bluster to one part articulacy. In contrast, new girl Sylvia Vollenhoven's Sunday night documentary was an innovative and compelling treatment of a subject — women's upliftment — that can be worthy but dull.

The problem with the *Agenda/Newsline* merger, says one senior TNP staffer, "is that it's still the same people just being shuffled around. Things will only improve if we get an injection of new people. But where we are going to find them, God alone knows." When Chisholm first addressed her staff two weeks ago, she said, quite firmly, that mistakes were understandable, but that they could only happen once. Her mettle will thus be proven, in a month or so's time, when she is forced to do away with people who are simply not up to scratch.

It figures that she would have Helen Suzman as a mentor; they both manage to present unassailable integrity without sounding self-righteous

In the meantime, she is beginning to make her presence felt. Her major intervention, says one source, has been to dilute the influence of Freek Robinson and Mashokwe — who have been the effective managers of current affairs — by putting more people on air. "It was tactically very sound," the source says, "to empower more people and create a balance so that she is not dependent on any one individual or group." Chief of cameras Robby Klarenberg has received more than one call at home when Chisholm was dissatisfied with camerawork; she correctly reversed a decision to cut CNN, and she has at last started a "beat" system for reporters. Perhaps her most difficult and unpopular decision was to pull a programme on violence against women, in which ANC MP Thandi Modise accuses her husband of abuse.

At last, though, there is someone up there who is engaged in news and the issues around it. For the first time ever, says Long, "we are actually interacting with the editor-in-chief. She'll just wander in and talk to you. She'll ask you what you think. There was a whole year, in the old days, when I didn't even see Johan Pretorius."

Snuki Zikalala, a news reporter, says that Chisholm "is concerned about the product

rather than the politics of this place. She wants accuracy and quality." Other staffers worry, however, that her concentration on programming and quality will lead her into difficulty. "She doesn't understand the intricate transition politics here," one says, "and unless she picks it up quickly, she'll be undone." At the moment, that's the only negative thing anyone has to say about her. She can rest assured, however, that the scratching sound amid the applause is that of knives being sharpened.

She responds that she understands how "immense" the upheaval is in the lives of her staffers, as in the lives of all South Africans. "They're finding and defining themselves. So you have to be sensitive to where they are at. But that doesn't mean you compromise, ever on professionalism."

She is candid in her critique of SABC TV news. It is "introspective" — "but for a statutory nod at Bosnia, we only acknowledge the rest of the world when it forces us to" — and "event-driven." "Our diaries are heavy with photo opportunities and events, and I'd like to see much more of putting those events into context rather than just saying 'this happened today' or 'so-and-so went there today'." She has, to her immense credit, already declared war on press-conference coverage, and is trying to move TV news toward appropriate graphics where the live picture just isn't interesting enough.

Chisholm left South Africa in its darkest days, in 1971, after two years in Parliament. "In the most positively depressing place I have ever been in my life. Working in an institution dedicated to constantly passing new laws to suppress something or close down something. There are no limits to my admiration for Helen Suzman. I think people dramatically underestimate what she went through to be what she was."

It figures that she would have Suzman as a mentor: they both manage to present unassailable integrity without sounding self-righteous. How easy it would have been for Chisholm to return the triumphant exile. But she does not wear, as a badge of any kind of honour, the fact that she was regularly interrogated by security police in the early 1960s before leaving the country. In fact, she does not even mention it.

And she didn't vote in last year's election. "I didn't know if I was coming home yet. To have voted and sat out there would have been dishonest. And I was not going to become a 'Sunshine Settler' — back here because the weather's good and the trouble's over. I've only come back because there's something here for me to do." Scrubbed, unsentimental and canny, Jill Chisholm conforms to her own definition of a good journalist: a sceptic rather than a cynic.

Jumping the gun

FM 11/8/95

(260)

Those working for the six SABC radio stations reportedly up for sale can relax — at least for the rest of this year. The process that will be applied by the Independent Broadcasting Authority (IBA) is so laborious that well over six months could pass before even one station finds a buyer. What's offered for the stations, which should be worth a total of R200m-R300m according to one consultant, might also prove so disappointing as to abort the idea.

The stations for sale are Radio Algoa, Radio Orange, KFM, Jacaranda Stereo, Highveld Stereo and East Coast Radio (formerly Radio Port Natal).

IBA councillor and legal expert William Lane says the earmarked stations all operate on public broadcaster licences. A commercial broadcaster would not be able to use those licences but would have to apply to the IBA for a private licence.

He also remarks that the SABC would have to hold tender bids for any station offered for sale. Would-be buyers would have to decide whether first to apply for a private licence or to make their bids.

The next issue is whether a successful buyer could change the SABC station's format (the kind of programmes it offers) in line with perceived market trends and opportunities. The IBA has not yet decided "The rules of the game haven't been worked out," says Lane. He does believe it's possible, though, that the IBA could require a station, hitherto devoted entirely to music and chitchat, to carry news, current affairs and similar unfamiliar material "in the public interest."

A crucial point is who would have both the funds and the legitimacy to buy any of the stations. Limitations on cross-media ownership, Lane points out, is one of the subjects he and his colleagues have been working on for many months in the triple inquiry. The report containing its recommendations was due to be presented to Broadcasting Minister Pallo Jordan by mid-July; it was still being worked on early this week. Once presented, it has to be approved by parliament.

The IBA Act seeks, moreover, to "encourage ownership and control of broadcasting services by persons from historically disadvantaged groups." Comments Lane "The IBA would certainly not grant a licence to the first comer." But disadvantaged groups have already experienced difficulty in raising large capital sums to buy into established businesses.

Lane believes foreign companies could be interested in forming consortia with local partners.

The Act prohibits them, however, from owning more than 20% of a broadcasting licence. Lack of capital among potential black partners could see such consortia able to bid only for small stations — those in which foreign companies are likely to be least interested.

Until a decision is made by government on the extent to which cross-media ownership involving purely SA companies will be allowed in broadcasting, it's uncertain whether the

SABC will find a feasible buyer for any, let alone all, of the radio stations it wishes to offload. To put a price on them at this stage is mere thumb-sucking. ■



D. F. 11/8/95

BLUEPRINT FOR AIRWAVES READY

Radio, TV 'revolution'

DETAILS OF THE IBA PLAN, which could form the framework for new broadcasting legislation, are to be unveiled in two weeks.
ANTHONY JOHNSON reports.

DETAILED of a blueprint that will revolutionise broadcasting — and usher in an explosion of channels in the Greater Cape Town area — are to be unveiled in the next two weeks.

The Independent Broadcasting Authority (IBA) delivered its keenly awaited plan to transform the content, ownership and control of radio and television, to the government yesterday.

After receiving a copy of the report, the Minister of Telecommunications and Broadcasting, Dr Pello Jordan, told a press conference: "In a paltry 18 months (the IBA) was given the task of undoing what had taken more than 40 years to set in place and had . . . to invent a new broadcasting environment".

The co-chairman of the IBA, Dr Pieter de Klerk, said the so-called "triple inquiry" had completed an exhaustive investigation of the protection and viability of broadcasting, regulations on local content, and cross-media ownership and control.

Co-chairman Dr Sebileso Moko-ne-Matabane said the commission had heard submissions from hundreds of interest groups and 190 aspirant community radio and television broadcasters.

The Peninsula already has eight radio stations and three more are to go on air later this year.

Popular regional radio stations like Radio 702 could go national.

The IBA report is to be tabled in Parliament for public comment in the next two weeks and Dr Jordan says it



ET 15/8/95

REVOLUTIONARY PLAN:

Dr Pello Jordan

The details are to remain secret until the government has studied it.

Legislation paving the way for a new broadcasting order should be

ready for Parliament to consider early next year, Dr Jordan said.

He said the IBA, created to liberate broadcasting from "government control and political manipulation", had issued 80 community licences.

Dr De Klerk said the report dealt with

● Plans to license new radio and television stations

● Figures for local music content for radio programmes and for South African content for television programming

● Rules for limitations on media organisations that own newspapers and television and radio stations

Media report soon to be made public

■ BY PATRICK BULGER,
POLITICAL CORRESPONDENT

Cape Town — An Independent Broadcasting Authority report on its triple inquiry into broadcasting was handed to Posts, Telecommunications and Broadcasting Minister Dr. Pallo Jordan yesterday.

The report is the result of an 18-month inquiry into the protection and viability of the public broadcasting sector, cross media control and ownership of broadcasting services, local television content and South African music. (260)

Jordan did not release the report but said he would in after it had been tabled. STAN 15/8/95

IBA chairman Peter de Klerk said the IBA had granted about 80 licences to community radio stations, of which 40 had already come on air.

Jordan praised the work of the IBA.

"In a mere 18 months they faced the task of undoing what had taken more than 40 years to set in place and had almost literally to invent a completely new broadcasting environment. While imprudent haste might have satisfied the impatience of a few, it could also have led to a terrible disservice to the nation and its broadcasters," Jordan said.

vice is not a sentence on its own. It could be one of the conditions of a sentence of correctional supervision or a condition of a postponed or suspended sentence.

The administration of a Community Service Order as a condition of a postponed or suspended sentence, falls within the ambit of the Minister of Justice.

If the hon Senator is referring to the performance of community service as a condition of correctional supervision, it should be pointed out that statistics regarding the community service applicable to the 7 617 probationers who were subjected to correctional supervision as at 31 May 1995 can only be obtained by means of a time consuming, expensive and manpower intensive country-wide survey.

(b) Probationers perform community service (as a condition of correctional supervision) at a variety of organisations and/or institutions, with the focus on

- community upliftment projects
- nature conservation organisations
- welfare and charity organisations
- educational institutions
- hospitals or other health centres
- animal protection organisations, etc

(2) Yes. It was stated in the White Paper on Reconstruction and Development, dated 15 November 1994, that one of my Department's policy objectives is the provision of an adequate infrastructure for alternative or community-based sentences.

I have confirmed this point of view on several occasions in Parliament this year. The hon Senator would also have learned from recent media reports that I intend to expand the system. However, the co-operation of the Department of Justice will be essential and more probation officers will have to be trained.

If more persons are sentenced to correc-

tional supervision with the performance of community service as one of the conditions, it will also necessitate the identification and co-operation of more organisations and/or institutions where such community service could be rendered.

Percentage of recycling in Republic

151 Sen E K MOORCROFT asked the Minister of Environmental Affairs and Tourism

- (1) What percentage of (a) paper, (b) glass, (c) tin and aluminium cans and (d) plastic produced in the Republic is recycled by the (i) private sector and (ii) Government,
- (2) whether the Government provides any financial assistance to private companies involved in such recycling, if not, why not, if so, (a) which companies and (b) what amount in each case,
- (3) in respect of what date or dates is this information furnished?

S291E

The MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM

- (1) (i) The private sector produce and recycle the following amounts of materials

(a) Paper

The estimated figures for 1992
Produced—2 million tons
Recycled—570 000 tons
Percentage recycled—28,4%

(b) Glass

Figures for 1994
Produced—379 000 tons
Re-used (returnable use)—
118 000 tons
Recycled—74 279 tons
Percentage recycled/re-used—
38,4%

(c) Tin cans

Figures for 1993/1994
Produced—300 million per annum
Recycled—84 million per annum
Percentage—28%

Aluminium cans

Figures for 1993/1994
Produced—8 700 tons
Recycled—2 000 tons
Percentage—22,9%

(d) Plastics

Figures for 1994
Polymer produced—690 000 tons
Polymer converted—715 000 tons
Some of the polymer produced locally was exported and polymer imports also occurred, which explains the difference in figures produced and converted into product
Recycled—± 110 000 tons
Percentage—15,4%

(ii) The Government does not have formally structured recycling programmes. In the department waste office paper is collected and is sent to a recycling company.

(2) No. The Government does not provide financial assistance for any of the companies involved in recycling. The recycling industry in South Africa evolved spontaneously without compulsory recycling or deposit legislation.

The recycling initiative in this country is successful when compared to figures from Europe and the United States of America. Success was achieved because the recycling effort is market-driven, which is the main reason for the absence of financial assistance by the Government. Another reason is the shortage of Government funds.

(3) The information was obtained from the respective industries in June 1994 and apart from the paper industry reflect the 1993/1994 period.

Income of SABC from licence fees/ advertisements

153 Sen A E VAN NIEKERK asked the Minister for Posts, Telecommunications and Broadcasting +

- (1) (a) What was the income of the South African Broadcasting Corporation from (1)

licence fee, and (ii) advertisements, (b) what amount of state subsidies was paid to the SABC, and (c) how many persons in the service of the SABC (i) resigned and (ii) were dismissed in each of the latest specified three calendar years for which information is available.

- (2) (a) how many persons are in the service of the SABC in each of the provinces, (b) what is the total annual expenditure on the salaries of the (i) personnel and (ii) management of the (aa) SABC and (bb) Independent Broadcasting Authority and (c) in respect of what date is this information furnished,
- (3) whether the SABC is contemplating the reorganisation of its television and radio services, if so, what will the total estimated costs of this reorganisation be?

S293E

The MINISTER FOR POSTS, TELECOMMUNICATIONS AND BROADCASTING

(1) SABC income

(a)	Projection	Actual	Actual	Actual
	94/95	93/94	92/93	91/92
(R'm)	(R'm)	(R'm)	(R'm)	(R'm)
(ii) Advertisement	1 150	1 026	857	748
(i) Licence fees	300	282	276	283
Other	100	86	70	58
Total	1 550	1 394	1 203	1 089

(b) No State subsidies were received

(c)	Reason	1992	1993	1994
	Resignation	250	238	254
	Retrenchment	281	125	72
	Dismissal	22	10	17
	Retirement	77	89	89
	Other	33	13	29
Total		663	475	461

(2) (a) Provincial analysis

Province	Total
Gauteng	3 474
KwaZulu-Natal	276
Eastern Cape	184
Free State	104
Northern Transvaal	157
Western Cape	243
Total	4 438

17/8/95

(b) (aa) SABC Salary Expenditure

	Basic salary
Non-management	R234,9m
Management	R40,2m
(351)	
Total	R275,1m
(4 438)	
Management = Top, Senior, Middle, Junior	
Non-management = Specialists, Skilled, Semi- and Unskilled	

(bb) IBA Salary Expenditure

The SABC does not have any information on IBA salary structures

(c) Date of information

13 June 1995

(3) In terms of its mandate, the SABC intends transforming itself into a public broadcasting service. In doing so, the SABC is currently reviewing its existing broadcasting services and structures to ensure that it operates in an efficient manner. The costs of this review and its effects would be through a redistribution of its current resources and will not require additional resources

Strike action at State departments/organisations: man-days lost

155 Sen Dr G W KOORNHOF asked the Minister for the Public Service and Administration

How many man-days were lost as a result of (a) legal and (b) illegal strike action at State departments and organisations during the period 1 October 1994 to 30 April 1995?

307E

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION

(a) and (b) During the period 1 October 1994 to 31 March 1995 116 796 man-days were lost in the Public Services due to strike action. The hon Senator's attention in this regard is also invited to the following

- Policy measures require of departments and provincial administrations to report on labour unrest statistics on a quarterly basis to the

Public Service Commission Statistics can therefore only be given until the end of March 1995

- In reporting on labour unrest in the Public Service, no distinction is made between legal and illegal strikes

- The above-mentioned figures only include personnel who fall under the Public Service Labour Relations Act, 1994, ie personnel appointed in terms of the Public Service Act, 1994, as well as the Correctional Services Act, 1959

Strike action at parastatal enterprises: man-days lost

156 Sen Dr G W KOORNHOF asked the Minister for Public Enterprises

How many man-days were lost as a result of (a) legal and (b) illegal strike action at parastatal enterprises during the period 1 October 1994 to 30 April 1995?

S308E

The MINISTER FOR PUBLIC ENTERPRISES

(a) Aventura Nil
Alexkor 12 314
Denel Nil
Eskom Nil
SAFCOL Nil
Transnet Nil

Hansard
17/8/95

(b) Aventura Nil
Alexkor 427
Denel Nil
Eskom 308
SAFCOL 2 481
Transnet 50 272,6

Youths detained in prisons

157 Sen Dr G W KOORNHOF asked the Minister of Correctional Services

(a) How many (i) awaiting-trial and (ii) sentenced youths are currently being detained in prisons and (b) in respect of which date is this information furnished?

S309E

The MINISTER OF CORRECTIONAL SERVICES

(a) (i) 5 200
(ii) 9 351

(b) 30 April 1995

In terms of section 1 of the Correctional Services Act, 1959 (Act 8 of 1959), a juvenile is any person under the age of twenty-one years

Illegal driver's licences: persons charged

159 Sen J SELPE asked the Minister for Safety and Security

(1) Whether any persons were charged with (a) issuing, (b) manufacturing and/or (c) using illegal driver's licences during the period 1 January 1994 up to the latest specified date for which information is available, if so, how many in each case,

(2) whether any persons have been (a) arrested and (b) convicted of these charges, if not, why not, if so, how many in each case,

(3) whether any other action has been taken against any persons charged with these offences, if so, what action,

(4) whether any estimates have been made as to the number of illegal driver's licences currently in circulation, if so, what are these estimates,

(5) whether the South African Police Service has considered or is considering any steps to make the issuing, manufacture and/or use of illegal driver's licences more difficult, if not, why not, if so, what steps?

S311E

The MINISTER FOR SAFETY AND SECURITY

(1) Yes

(a) 12

(b) 2

(c) 847

(Latest specified date 30 June 1995)

(2) Yes

(a) 856

(b) 557

(3) Yes False documents are confiscated and destroyed

(4) Yes, 10 124

(5) No Steps to prevent the issuing and manufacturing of illegal driver's licences is not the responsibility of the South

African Police Service and must be taken by the appropriate authorities.

SA/foreign ships using gill nets

161 Sen E K MOORCROFT asked the Minister of Environmental Affairs and Tourism

(1) How many (a) South African and (b) foreign ships were found to (i) be using gill nets or (ii) have gill nets on board in South African waters during the latest specified period of 12 months for which information is available,

(2) whether any (a) persons have been charged and/or (b) arrests have been made as a result, if not, why not, if so, how many in each case,

(3) what procedures are currently in place to check fishing vessels for gill nets,

(4) whether these measures have proved to be adequate, if so, what are the relevant details, if not, why not,

(5) whether he or his Department intends (a) changing these measures and/or (b) introducing any new measures, if not, why not, if so, what are the relevant details in each case?

S313E

The MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM

(1) (i) (a) No South African or (b) foreign ships were found to be using gill nets in South African waters

(ii) (a) One (1) South African and two (2) foreign ships were found to have gill nets on board in South African waters

(2) (a) In all three cases the ship captains were taken to court

(b) In one case the ship's captain was fined, one ship's captain was found not guilty on a technical point and one case is still pending in the Cape Town Regional Court

(3) Regular inspections are carried out in all harbours and by patrols at sea

(4) The Government has previously, on numerous occasions and in different ways, nationally and internationally, raised and

Agency calls for parastatal privatisation

By CHARLOTTE MATHEWS

INVESTMENT EDITOR

The rating agency, IBCA, has added its voice to calls for the privatisation of Telkom, Eskom and Transnet as a way for South Africa to attract foreign direct investment

In privatising those utilities, South Africa would attract the notice of the big-utilities players and would probably also attract other multinationals seriously considering the country as an investment location, Chris Huhne, the managing director of IBCA's sovereign risk division, said yesterday.

He told a presentation at the JSE that South Africa's reserves, at 0,8 months of import cover at the end of last year, were "really too low for comfort"

South Africa's sovereign rating is particularly important because no other borrower can have a higher rating than its government. South Africa's sovereign debt rating last year was BB from IBCA and BB from Standard and Poor's, but Baa3 from Moody's

IBCA will probably formally review its rating after the local elections in November

Huhne said the three areas on which IBCA would most like reassurance were the deterioration in South Africa's current account deficit, the resolution of conflict in Natal and tangible results to those who have not yet participated in the country's prosperity

With GDP of \$2 900 a head at market exchange rates in 1993, South Africa is a middle-income

country. However, income differences are extreme and appear to be similar to Latin America rather than Asia-Pacific or eastern Europe

A key priority for South Africa is to include the black community in prosperity and improve the level of human capital through better education

Huhne said it was critical that the country achieved a higher sustained level of real growth in GDP that could deliver better living standards. South Africa delivered rising real incomes last year for the first time in many years

One of the disincentives to foreign investment is the level of criminal activity, particularly violence. On its next rating visit, the IBCA will want to examine this issue in depth

The relationship between GDP growth and growth in the current account deficit is a matter of concern and has proved worse than IBCA had expected

This raises questions about the competitiveness of South African business, whether it can earn the foreign exchange needed to pay for imports and service debt, and the financeability of current account deficits as the economy picks up

South Africa is still highly dependent on mining, with gold worth a quarter of exports and other mining exports worth another quarter.

"The problem with commodity dependence is simply that the price may not develop in line with the price of imports. The long-run trend is for an adverse shift in the terms of trade," Huhne said

ET(BR) 17/8/95 (260)

Slinging dirt and dungeons

WM 18-24/8/95 (260)

David Beresford

THE bizarre "battle of scandals" between Zambian President Frederick Chiluba and Kenneth Kaunda has led to the disclosure of a Zambian state secret — the existence of a bunker under Lusaka's presidential mansion, built in anticipation of a South African invasion.

The existence of the bunker has emerged as a result of allegations by Chiluba that Kaunda maintained secret "torture chambers" during his 27 years of one-party rule.

The Zambian leader claimed at a press conference in Lusaka recently that a human rights commission investigating abuses under Kaunda's rule would disclose details about the dungeons, which he said he would show to the media.

Chiluba said he had known about the existence of the torture chambers for some time, but had not made the disclosure previously, because "to have said anything about Kaunda after he retired would have been politicking." But since the UNIP leader had declared himself a contender for the presidency he was now "open even to rabid punches."

Supporters of Kaunda believe that the "chambers" which the commission is going to reveal are, in fact, command-and-control bunkers built for the Zambian head of state in the mid-1970s.

The bunkers, built as a gift to Kaunda by Yugoslavia's then-president Josip Broz Tito, were equipped with sophisticated radio equipment for use under attack — including transmitters enabling a war Cabinet to broadcast to the nation.



Frederick Chiluba: Claims Kaunda built torture vault

The installation also has a long escape tunnel running underneath the presidential golf course, with a bricked-up exit opposite the 18th green of the Lusaka golf club.

The bunkers were used sporadically at the height of the Zimbabwean and Namibian guerrilla wars and were handed over to Chiluba when Kaunda surrendered power in 1991.

The torture claims are just one in a series of allegations traded between the two men in a bitter slugging match precipitated by Kaunda's recent re-election as leader of UNIP.

Last week Kaunda claimed that he had uncovered a government plot to assassinate him, alleging that an official in the president's office was to have fed him a "slow acting" poison.

As reported by the *Mail & Guardian*, there have been previous claims that Chiluba is not "Chiluba" — that he changed his name as a youth when he borrowed a school friend's exam certificate to get a job. That allegation has been strenuously denied by the Zambian government.

SA media 'bettered world coverage'

Staff Reporter

(260) ARL 19/8/95

THE South African media were far more balanced and objective than their "scaremongering" international counterparts when covering last year's pre-election period, according to an analyst.

This finding was presented to members of the Public Relations Institute of South Africa by Sandra McLeod, managing director (Europe) of the media analysis firm Carma International.

The company conducted a study of media trends for the Independent Electoral Commission.

"We saw a very balanced coverage within South Africa — there was good reporting coming through," said Ms McLeod.

International media coverage, however, had been significantly different.

"They were guilty of scaremongering. The international media were looking for blood and violence.

"The coverage we saw was very bad. It gave a very slanted perception of what was happening here."

Most South African media attention had been on general coverage, while the economy and violence had featured low in their coverage.



DBSA chief steps down

ST (BT) 20/8/85 (297) (260)

By MARCIA KLEIN

NICK Christodoulou, acting chief executive of the Development Bank of Southern Africa, will leave the bank in January to take up a post at Sanlam.

His move comes at a time when the DBSA is the subject of a major government-led restructuring.

Mr Christodoulou gave the DBSA board notice on Friday that he would join Sanlam's top management team "in a position directed at development finance".

He had, for some years, been planning to move to the Cape. But after André la Grange resigned as chief executive in November last year to join Nedcor, he agreed to stand in until it was possible for

the DBSA to appoint a successor.

Since then, an interim board has been appointed and there has been some clarity on the new role of the bank, making it possible to appoint a chief executive.

Mr Christodoulou said it seemed the government would not accept proposals to form a joint holding company between the DBSA and the Industrial Development Corporation. A Department of Finance team headed by the DBSA chairman, Wiseman Nkuhlu, had urged that a holding company mobilise funds for both.

BACKGROUND & ANALYSIS

THE SPIRA INTERVIEW



Mighty Eskom prepares for a bright future

(260) CT (BR) 21/8/95

Eskom's multiplier effect on the economy and on the everyday lives of South Africa's people cannot be overestimated.

Dawn Mokhobo, the electricity generation company's executive director of growth and development, is as acutely aware as anyone of Eskom's crucial role in helping the nation towards a prosperous future.

As a vital cog in the Eskom wheel, she is determined to live up to the challenge and the huge responsibility it entails.

Central to Eskom's strategy between now and the end of the century is its 10-point plan — a plan, Mokhobo stresses, designed to support a whole range of RDP objectives.

Thus Eskom is targeting

- A further cut in the real price of electricity by 15 percent with a view to becoming the world's cheapest electricity supplier

- The electrification of an additional 1,75 million homes to improve the lives of 11 million South Africans

- A change in its employee profile so that 50 percent of all management, professional and supervisory staff will be black South Africans

- The education, training and upgrading of enough people to meet Eskom's future managerial and technical needs by employing 370 black trainees a year and enabling all Eskom employees to become literate

- The extension of transparency and worker consultation in decision making

- The contribution of R50 million a year to electrify schools and clinics, and to fund community development activities, particularly in rural areas

- Home ownership for all Eskom employees

- The encouragement of small and medium enterprise development through managerial support and Eskom's buying policies

- Protection of the environment

- The financing of the plan from its own resources and from overseas funding

Mokhobo is encouraged by the progress thus far achieved, though she stresses that it is too early to assess the full impact of the plan.

"We're committed to electrifying 300 000 houses this year. In doing so (and this is already happening), we are creating many new jobs and giving employment to numerous small contractors."

"But it does not stop there. For example, in the past year we have electrified 400 schools and 100 clinics. And our electrification drive has not only enhanced millions of lives but has benefited the economy in ways which even we find surprising."

"Did you know that Eskom has effected a marked reduction in the cost of the nation's health care?" she asks with evident gratification.

"Independent research has shown a noteworthy decline in the treatment of burns suffered from the use of fossil fuels — simply because more people have access to electricity."

The benefits go on and on — heightened industrial productivity as a result of a more comfortable lifestyle, better examination results because of the ability to study with efficient lighting, long distance education via satellite, small business development, and enhanced hygiene thanks to electrified cooking and cleaning equipment.

One of Mokhobo's responsibilities is to ensure that Eskom has the correct operational guidelines to optimise its contribution to the RDP. Among the steps taken to reach this objective is seconding Eskom financial and project management staff to the RDP office.

"This has helped us to understand, almost on a day-to-day basis, the thinking in Jay Naidoo's office," she says.

Is Eskom experiencing the same frustration as



POWER OF ONE Dawn Mokhobo asserts Eskom's critical role in the RDP

PHOTO: JOHN WOODROOF

many South Africans over the slow pace at which the RDP is progressing?

"People argue that the government has spent a year planning, debating and checking because it needs to get the whole picture sorted out before funding can be allocated or before people can use the funds allocated to the RDP."

"I'm not saying that the criticism is invalid, but a consolidation period was necessary, because we're talking about getting the government to allocate resources in different directions, with one department knowing what the other is doing."

"For Eskom it's important to know what's happening where — to be part of that integrated effort. The accountability for bringing the information back into Eskom rides squarely on my shoulders."

Over the past six months Eskom has positioned its people accordingly and, says Mokhobo, the factors are all beginning to fall into place.

"We get impatient because things don't happen as fast as we'd like them to happen, but we also understand why Eskom is getting on with things faster than most, so we're an important lever for the government. We're also useful to them as a resource. We're telling them that we realise they don't have the expertise, so they should use us. We

also know how to work to a deadline."

Mokhobo is hoping that Eskom will act as a role model, thereby helping to move the process along. "But we have to be careful that we don't upstage everyone else. All we can really do is give advice."

Mass housing is a crucial element of the RDP but has not yet got off the ground. If homes are not built, how can Eskom fulfil its electrification objectives?

Mokhobo responds that for 1995 and 1996, because of the backlog, there is a lot of work to which Eskom can commit. But three years down the line, it could have a problem.

As an employer of 38 000 people, Eskom has an active and ongoing relationship with several trade unions. It has channelled much energy into setting up structures for effective communication, over and above orthodox negotiation forums.

"They're very important," Mokhobo maintains, "because they enable us to talk at principle level. They're a conduit for the unions to influence at a very high level the direction Eskom is taking. It's working very well."

And so to the knotty issue of privatisation or, as the sensitive prefer, the restructuring of state assets. Mokhobo is understandably guarded because it is

so touchy an issue in a trade union context.

"It's a government decision. But clearly, if it happens, Eskom has to be prepared for it. Accordingly, we put together a document which we shared with the unions. They weren't comfortable about it because they felt we had compiled something without consulting them."

"They didn't appreciate that we had to at least think about privatisation. They felt (and still do feel) that we were positioning ourselves for privatisation — which is an incorrect perception."

"These are the sensitivities we meet in talking to so many parties. We nevertheless consider ourselves to be an important voice to be heard by the government. And that's really all we've done. It's off the agenda for the time being."

"The ministry has asked us to wait for its guidelines, which should be available soon. If it comes from the government it might soften the unions' attitudes. I'm getting a feeling from some of the unions that they are beginning to position themselves very rationally around these issues."

Mokhobo does not think the government is contemplating the privatisation of Eskom at present, simply because it is such an important part of the RDP delivery process. And Eskom is perceived to be highly efficient, so she is confident the state will leave Eskom alone.

Mokhobo is also responsible for Eskom's international affairs. This involves setting up meetings with governments with which Eskom has to deal and/or with the heads of the electricity supply authorities in those countries.

"People want to talk to us. We play an important regional role without threatening, though we have the muscle to do so. We must take care of the politics around the process."

"We have an advantage in that even during the apartheid era we had informal contact because of the grid and co-operation agreements. And we've been exchanging information. Because we've been talking so long and because we have the expertise within the industry, a tremendous amount of goodwill exists towards Eskom."

Is Mokhobo happy with the way Eskom is eliminating racial and gender discrimination?

"By and large, yes. There's been a lot of work done on the racial issue, though we're still talking of only 11 percent of management positions. We're benchmarked to be at 30 percent by the end of next year and 50 percent by the turn of the century."

"You'd be surprised at the calibre of people that are progressing through the organisation. It's really not window dressing. The political transition process was definitely a plus, because the resistance level has dropped. There's definitely a commitment around the table. And it's being driven very hard from the top down."

Mokhobo is the only woman on the Eskom board. "I therefore feel I'd be deficient in my function if I didn't drive the gender issue hard." Eskom is working on the formulation of a gender programme, she adds.

Does Mokhobo like her job?

"I love it. It's terribly exciting. I regard myself as being very privileged. As a black person, it cannot be just about me, it's about being a role model, it's a crusade, it's taking responsibility for the future, it's being part of a group responsible for the total transformation of South Africa. It's not about being Dawn Mokhobo, it's about being fortunate enough to be part of this process."

Mokhobo has two daughters — the older daughter is a management consultant and the younger has begun to study for an engineering degree at Wits. Her husband Patrick — "my greatest supporter" — is head of the department of cardiology at Medunsa.

(260) ARCT 25/8/95

'SABC may lose one TV channel'

JOHANNESBURG — The Independent Broadcasting Authority had recommended that the SABC be scaled down to only two television channels, the Mail and Guardian newspaper reported today.

Quoting a document not yet released, the newspaper said the SABC would lose one of its three television channels at the end of 1997.

Companies would have the opportunity to make proposals for broadcasting rights on the third channel, leading to the establishment of South Africa's first free commercial channel in 1998.

These guidelines formed part of the IBA's report on the future of the SABC. The report has not yet been tabled in parliament.

During an IBA inquiry leading to the report, the SABC argued it would have to retain three channels if it was to fulfil its responsibilities as a public service broadcaster catering for 11 language groups. However, it conceded it might be able to relinquish a channel after a consolidation period — Sapa

Getting on a wavelen

THE MAUREEN ISAACSON INTERVIEW



Since the launch of SAfm in March this year, war has raged between irate listeners and SABC Radio chief executive Govin Reddy. His battle scars may have left him slightly less defensive but no way has he given in.

Sitting on the sofa, trying to surf the channels of the infamous Govin Reddy's mind, my palms begin to sweat. "Radio FM has had some humps and bumps." That is what he said, isn't it? Accuracy, balance and fairness are the qualities he demands from journalists. "I'm not in the business of being nice and polite," he says, confirming the unpopularity he fostered in his July address to the Cape Town Press Club.

Look here, this man is sick and tired of being savaged for his handling of SAfm; battle-scarred from the hatred "fanned by an element in the press". But today he has his defensiveness under control.

He is so accommodating and oh so polite. Although slightly humbled, contrition is not on the cards. "I am very pleased with SAfm. I'm not saying it's a perfect station, and there is room for improvement, but it's vastly better than Radio SA."

Then he does it again. Boasts about the excellence of the news reportage on SAfm's AM Live, knocks the press (with the exception of *The Sunday Independent*) for not providing the analysis it is their job to do, then concedes that the *Saturday Star* has its good points.

In an open "verbal letter" to his newspaper columnist adversaries, "Geoff Hughes, Robert

Kirby and company", he talks about "ironing out SAfm's humps and bumps and its uneven quality" within two years or admitting failure. He appeals for understanding and patience. Enough of those vitriolic campaigns discrediting him! Onward with the changes coming in October, set to create a "dynamic radio station" from one whose major achievement appears to have been the provocation of its listeners.

Reddy seems to have no problem admitting the huge blaps he made by employing inexperienced freelance newsreaders. But it is not easy to imagine him saying sorry to Stella Hayer, Jeremy Davies, Paul Desmond and Christopher Bennett. He wanted to give the stations "a South African feel". To "reflect, not change" the language. He hands me a letter from the chairman of the South African Council of English Language, a testimony to his good behaviour. It commends him for his co-operation at "a meeting and presentation of a petition". As the public's servant he is always available for such meetings, he says. Something must be going right because, despite the expected drop in listenership, a Markinor survey conducted for March through June showed no decline. Reddy says this is the one to heed - not the AMPS figures for February/March which covered the transition from Radio SA - these reflected a loss of 90 000 listeners.

Reddy seems to have no problem admitting the blaps he made with inexperienced freelance newsreaders

Like most people who refer to themselves as "private", Reddy is difficult to read. He is tentative; on guard. Why must everyone

judge him for SAfm instead of the 23 radio stations he heads up? And his task is undeniably a mighty one to equalise the imbalances between Afrikaans Stereo, SAfm and the African radio stations. (To put you in the picture: SAfm has 126 stereo transmitters to serve a population of 400 000 compared with the 40 transmitters that must serve Radio Zulu's 5-million.)

The good news is that as from October, some R40-million - over and above the normal budget - is to be pumped into the African stations via the board. The aim? "Better quality, more relevance, professionalism." This is how he defines his kind of radio. Right



HOW STEADY IS REDDY? Will his promise of better quality b

ngth with Govin Reddy

(260) Star 26/8/95



now, says Reddy, information is the key word. He insists he was "100% sincere" and "deeply concerned" by the early dilemma of "how to keep the elderly (predominantly white) and still attract new listeners to SAfm" No way did he tell them to "go jump in the lake", as some would have it. The only recipients of the renowned sneer were those entrenched in the old South Africa. Okay?

"They don't know who I am and where I come from." Tell us about it, Govin. The MA in African history

from Chicago's Northwestern University. The five-month detention at Benoni's Modderbee in 1976 for "inciting" students at the University of

Durban-Westville. The banning that put an end to the South African Institute of Race Relations research job. The Durban bookshop where Marx and Hegel flourished. Tell us about your 10-year exile. The flight to Harare where you headed up the current affairs division of German-funded state-owned ZBC Radio 4 (what you call post-independence Zimbabwe's "only new but not entirely independent" radio station). The youngest of nine children of now-deceased Pine-town banana farmer Chegal and housewife Perumalama, Govin and his brother

Professor Jai-ram Reddy (who heads the government commission into higher education) are the only ones who made the big time. For Govin there was a de-

puty editorship of IPS Third World News Agency in Rome, a founding editorship of the Scandinavian and Dutch-funded regional news magazine Africa South in Harare. And, before the deputy directorship of Johannesburg's Institute for the Advancement of Journalism, rumour has it that he lived very well in Harare ("In the beginning we all struggled, but it got better. I did not have a tennis court but we had a pool, everyone did.")

Corporate experience has come to him late in life. But Reddy, who is 52, reminds me – and all those who would say his inexperience stands between

him and a good morning's listening – that former Indian prime minister Rajiv Gandhi was a pilot before he took office. Of course this new world was bewildering at first, but the idea of that R196 000 salary plus R18 000 housing allowance plus the cherry-red Nissan 200 SX must have eased the strain. That he takes home only R8 488,59 net a month is another story.

Govin Reddy is intense and serious, he is as smooth as an egg, contained, as if in a shell. He responds to personal questions

readily but the answers you seek seem to slide off the surface. His laughter is slow in coming and, when it does, it is a great relief. And it is a surprise to see that

when he relaxes he has no problem laughing at himself. His appointment to the position he now holds is a highlight, he says, "though many would curse me".

His critics may have been correct when they said his treatment of his elderly white listeners was insensitive – even callous – when he set about "incorporating" them into "a broader and more diverse market". But he calls himself "colour-blind". It so happens his present wife Tessa, mother of his two boys, is white. But don't say he favours whitey for top positions. The criterion for his

appointment of Franz Kruger, Pippa Green and Charles Leonard to top positions was merit, he says. Sounds like a true South African tale, all right.

Especially the bit about the listeners who told him to go to Radio Lotus and stay there.

Govin Reddy plays tennis. He lives in Parkview Indian classical music and food, but not the Hindu religion that is his heritage, are his pleasures. "I'm an agnostic," he says, "don't say 'atheist' – that will frighten the listeners even more!"

We leave him here, with his three funky radios, dwarfed by his palatial office. His goals are written on the airwaves. But when the going gets tough there is always the dream of that wine farm in Stellenbosch. A dream – not a goal, he stresses.

He is on guard. Why must everyone judge him for SAfm instead of the 23 radio stations he heads?

It so happens his present wife Tessa, mother of his two boys, is white. But don't say he favours whitey

IBA calls on SABC to lose a station

10/11/95 (700)
(260) 1021
ST (PT) 27/8/95

By MARCIA KLEIN

A NEW broadcasting policy document, which is expected to be made public this week, is likely to call for the SABC to shed one of its three TV stations in favour of a private one.

The Independent Broadcasting Authority document on future broadcast policy was handed to Pallo Jordan, Minister of Post and Telecommunications, on August 14 following an investigation into the protection and viability of the SABC, local content and cross-media control.

Dr Jordan is expected to make the policy document public this week.

John Matisonn, a councillor at the IBA, will not comment on the contents of the report, but says it is clear a new broadcasting policy would spell the end of the SABC's monopoly on broadcasting.

"Democracy is about broadening debate and diversity," he says.

Radio has already been deregulated to some extent. The IBA has issued 80

temporary community radio licences, creating about 560 jobs.

Mr Matisonn says radio can go a long way towards facilitating change — it is cheap, it empowers people and provides training for volunteers and employees of community stations.

The community stations have created a market for advertisers who could not afford to advertise on national or regional stations, and allows advertisers to target niche markets.

The award of licences is carried out in terms of the IBA Act. The Act says there should be a diversity of news and that "historically disadvantaged" people should be brought into the process.

The licensed community stations include several right-wing stations, campus stations, religious stations and community stations for specific geographical areas.

Iscor has its own round-the-clock station, Iscorian FM, there is an ecology station called Radio Safari in the Kruger Park, and the first classical music station is on the air. The Ndebele kings asked for, and were granted, a licence to service their community.

Mr Matisonn expects about 60 of the 80 stations to survive.

He says they must be operated as non-profit organisations, but can take as much advertising as they like, and members of the community must participate.

The IBA has adopted the US system of spectrum planning which enables a large number of applicants to obtain licences, although many operate on low-power frequencies.

Although the general rule is freedom of speech, there are some rules stations must abide by. For example, they must invite all political parties to take part in debates at election time.

SABC plans to smash old (260) ST 27/8/95 transmitters

By CHIARA CARTER

THE SABC is to smash its old transmitters to avoid their being used by other broadcasters.

Ken Herold, general manager of the SABC's technical division Sentech, denied a report last month which claimed that Sentech had sold 39 transmitters at bargain prices to 15 right-wing radio stations.

Mr Herold said Sentech had never sold transmitters for broadcasting purposes.

However, it had previously sold old transmitters as scrap.

About two years ago "two or three" transmitters which had been sold to scrap dealers were apparently put together and sold to the controversial right-wing Radio Pretoria.

Sentech had subsequently explained to the Independent Broadcasting Authority how Radio Pretoria obtained the transmitters.

Sentech subsequently decided to avoid this happening again by smashing old transmitters.



ENSURING HIGHER RETURNS . Yamaichi's Yuji Nomoto Picture. JULANI VAN DER WESTHUIZEN

Eskom to tap R750m from samurai bonds

ESKOM is expected to raise up to R750-million on the Japanese bond market in October. The utility said it was considering tapping the market for samurai bonds, without giving an indication of how much it hoped to raise.

However, sources said they expected the electricity utility to raise up to R750-million.

This is the second time South Africa has had access to Japanese capital. In May, the government launched a R1,3-billion five-year samurai bond.

Japanese finance houses Yamaichi and Nomura and Johannesburg stockbroker Frankel, Pollak, Vinderine, are joint leaders in raising the funds.

Yuji Nomoto, deputy managing director of Yamaichi International, Europe, who visited South

By MARCIA KLEIN

Africa this week, said bonds of this nature ensured a much higher rate of return for Japanese investors, who usually earned rates of below 1%.

Japanese investors were also looking outside Japan for higher returns.

Mr. Nomoto said Yamaichi's strategy had been to focus on three countries it identified as being the most important emerging markets: Poland, Turkey, and South Africa.

Some Japanese companies had started operations in South Africa. "Now it is our turn to bring Japanese money into this country."

Frankels and Yamaichi are also investigating an asset swap and an SA fund to be marketed to the Japanese retail sector.

ST. (BP) 27/8/95

Row over leaked IBA report on SABC

BY MICHAEL SPARKS

The SABC would have trouble fulfilling its public service mandate if it were cut down from three channels to two, corporation spokesman Ken Modise has said.

Modise was reacting to a report in the Mail and Guardian, based on a leaked report of the Independent Broadcasting Authority. According to the Mail, the IBA has proposed giving the SABC only two channels after 1997 and giving the third free-to-air channel to a new group made up of formerly disadvantaged South Africans.

The IBA handed its report to Broadcasting Minister Plo Jordan earlier this month.

If the leaked report proved accurate and the recommendations were implemented, Modise said, the SABC would be unable to fulfil its public service mandate of providing television to all South Africans in the 11 official languages.

Modise said the SABC had made it clear in its submissions to the IBA that it needed three channels, one of which would be partly commercial to reduce the corporation's dependence on public funding.

"I don't believe the IBA would make that kind of proposal without some kind of plan on how we should fulfil our mandate."

IBA spokesman Jon Matson refused to be drawn on whether the Mail report was accurate, saying the IBA report was currently being considered by Jordan.

The Mail report said the SABC would retain its three channels until the end of 1997. After that, the corporation would only be granted licences for two channels.

This would make way for one free-to-air commercial

channel and it is likely the IBA would grant the licence to a group which includes historically disadvantaged South Africans in order to increase diversity in the medium, one of the major concerns of the IBA during its year-long hearing.

No details of the important funding proposals for the SABC were reported, and industry sources indicated that the newspaper might have got hold of part of an early draft of the IBA report, which is known to have changed a number of times before it was finally submitted to Jordan.

(260) Star 28/8/95

IBA report proposes sweeping reforms on TV and radio

Airtime changes ahead

Star 30/8/95

(260)

creasing annually in line with inflation.

The report calls for programmes in various categories to be broadcast in all 11 official languages within a year, with all languages to be represented on prime time within any month, and at least five languages broadcast in prime time within any week.

Dealing with restrictions on cross-media ownership, the report recommends that no person who controls a newspaper may acquire or retain financial control in both a radio and a television licence.

When a newspaper has a readership of more than 15% of total newspaper readership in an area, it may not control a radio or television station when there is at least a 50% overlap in the target audience. It will, however, be able to retain some financial interest.

The IBA proposals have been rejected by the SABC and also questioned by Pato Jordaan, the Broadcasting Minister who tabled the report before Parliament yesterday afternoon. Its recommendations are subject to the approval of Parliament, and more negotiations are expected before major changes are made.

■ BY MICHAEL SPARKS

The Independent Broadcasting Authority (IBA) has recommended sweeping changes to broadcasting in a long-awaited report on local content, the nature of a public broadcaster and cross-media ownership.

The IBA recommends reducing the SABC's TV stations from three to two by 1998, but said the corporation should be granted a satellite channel in place of the third.

The channel lost by the SABC should become a private, non-subscriber station.

M-Net has two channels but they will remain untouched because its licences granted in 1993 still have almost seven years to run.

The report calls for a far higher proportion of local programming than at present and recommendations about radio include a call for the SABC to sell 10 of its stations.

SABC group chief executive Zwelakhe Sisulu warned yesterday that the SABC would not be able to deliver on its public mandate if it was restricted to only two TV stations. For national public radio stations and community radio

Nato planes bomb Serb positions

Sarajevo — Nato warplanes launched massive punitive raids on Bosnian Serb targets around Sarajevo before dawn today following the mortar attack which killed 37 people in the city centre on Monday.

UN artillery joined the co-ordinated attack to silence the Serbs' siege guns. But shells from those positions rained down on Sarajevo in Serb retaliation.

Flashes lit up the night sky behind the mountains from which Bosnian Serb forces have surrounded the Bosnian capital for the past 40 months, shelling its people at will.

Nato Southern Command said in Naples, Italy that the punitive attacks has been a success and all the aircraft had returned to their bases.

The operation which also involves the artillery of the UN rapid reaction force which dug in around Sarajevo earlier this month, could continue for a few

The bigger they are . . .



IBA REPORT TABLED IN PARLIAMENT

SABC faces TV competition

THE INDEPENDENT BROADCASTING AUTHORITY changed the nature of broadcasting in South Africa yesterday with the release of its long-awaited report. **BARRY STREEK** reports.

A NEW national private television channel to end the SABC monopoly should be licensed by January 1998, the Independent Broadcasting Authority proposed yesterday.

The IBA intends reducing the SABC's television stations from three to two by 1998, but the corporation will be granted a satellite channel to replace the lost terrestrial channel.

The IBA report on local content regulations, the nature of the public broadcaster and cross-media ownership was tabled in Parliament yesterday.

But Minister of Posts, Telecommunications and Broadcasting Dr Pello Jordani, questioned the television proposals.

"I am not at all comfortable about the proposal on the SABC's TV channels," he told the Portfolio Committee on Communications.

He said Parliament should look closely at the IBA's recommendation on limiting the SABC's channels, but did not make any specific proposals.

He also expressed concern about the delay in introducing the private channel, as this "might overprotect the SABC and defeat the aims of regulated competition".

His statements could mean that a

private channel will be introduced before 1998 as proposed.

The report also recommended that the SABC's seven regional radio stations, including Good Hope and KFM, be sold off.

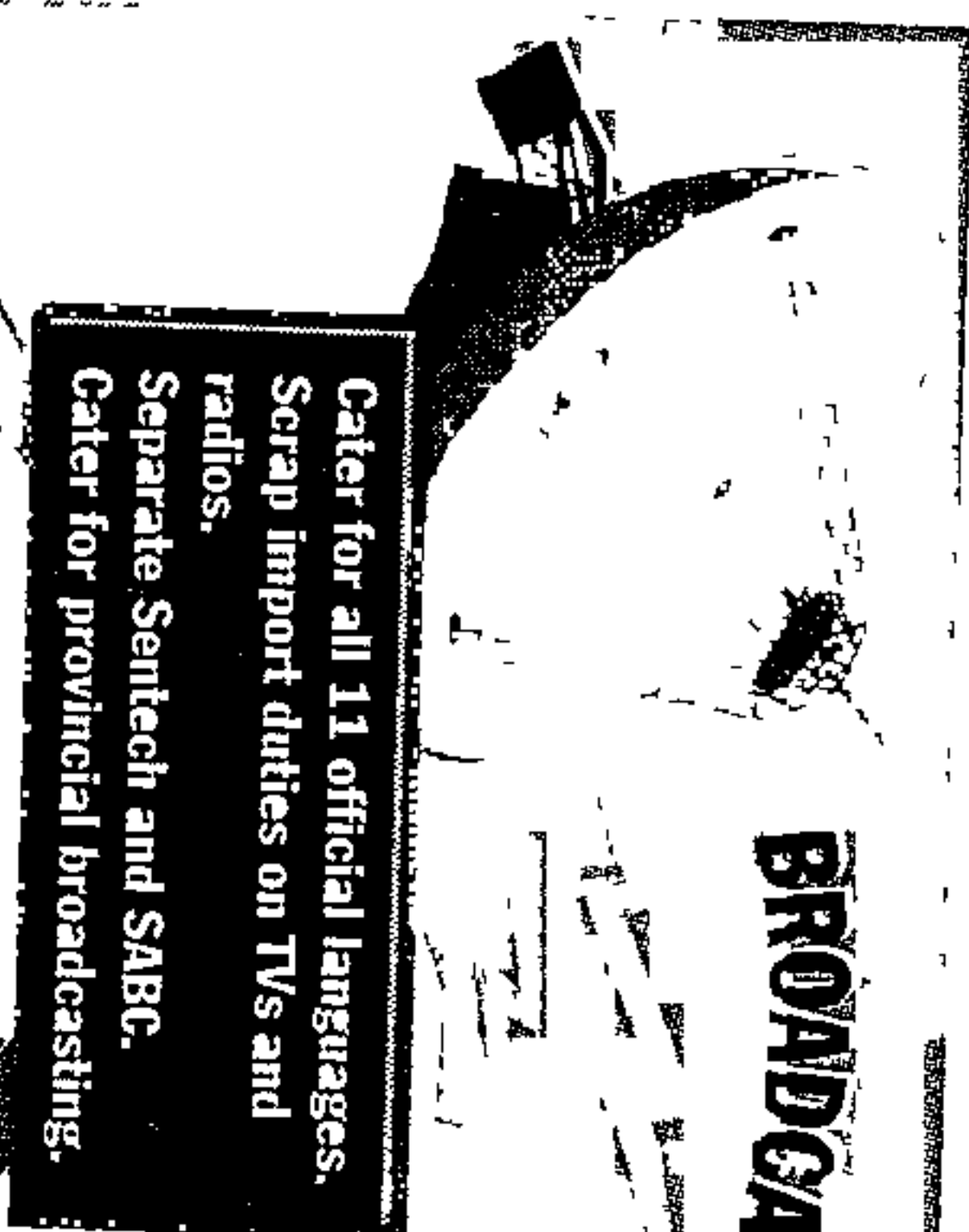
The IBA said 11 full-spectrum language radio stations should be licensed to the public broadcaster, Radio Lotus should be sold but SABC be allowed to retain Metro and SFM, and a multilingual youth station be established.

The SABC should be funded through a mix of advertising and sponsorship, licence fees, government grant and other income such as merchandising their products and leasing facilities, the IBA recommended.

The proposals to restrict cross-media ownership of newspapers, radio stations and television channels could force SABC-controlled media grants to sell their interests in M-Net — or relinquish their newspaper interests.

The report recommends that no person who controls a newspaper may have financial control in both a radio and a television licence.

When a newspaper has a readership of more than 15% of total newspaper readership in an area, it may not be able to control a radio or television station.



BROADCASTING BLUEPRINT FOR SOUTH AFRICA

Cater for all 11 official languages. Scrap import duties on TVs and radios.

Separate Sentech and SABC. Cater for provincial broadcasting.

RADIO

Sell all seven regional stations. Close, sell or merge TBVC stations. Retain all eleven language stations. Start multilingual youth station. Local music to get 50% of airplay.

TV

Reduce number of channels from three to two and introduce a private channel. Rationalise TBVC stations for cost-effective use by the SABC.

the target audience

If implemented, this would directly affect the Nasionale Pers group and Anglo American/ICI-controlled Omni Corporation and Times Media Ltd who are the major shareholders of M-Net.

Significantly, Dr Jordani said "We have inherited a private television company which is owned by the leading press corporations."

"This is a matter that needs resolution prior to the licensing of private broadcasters."

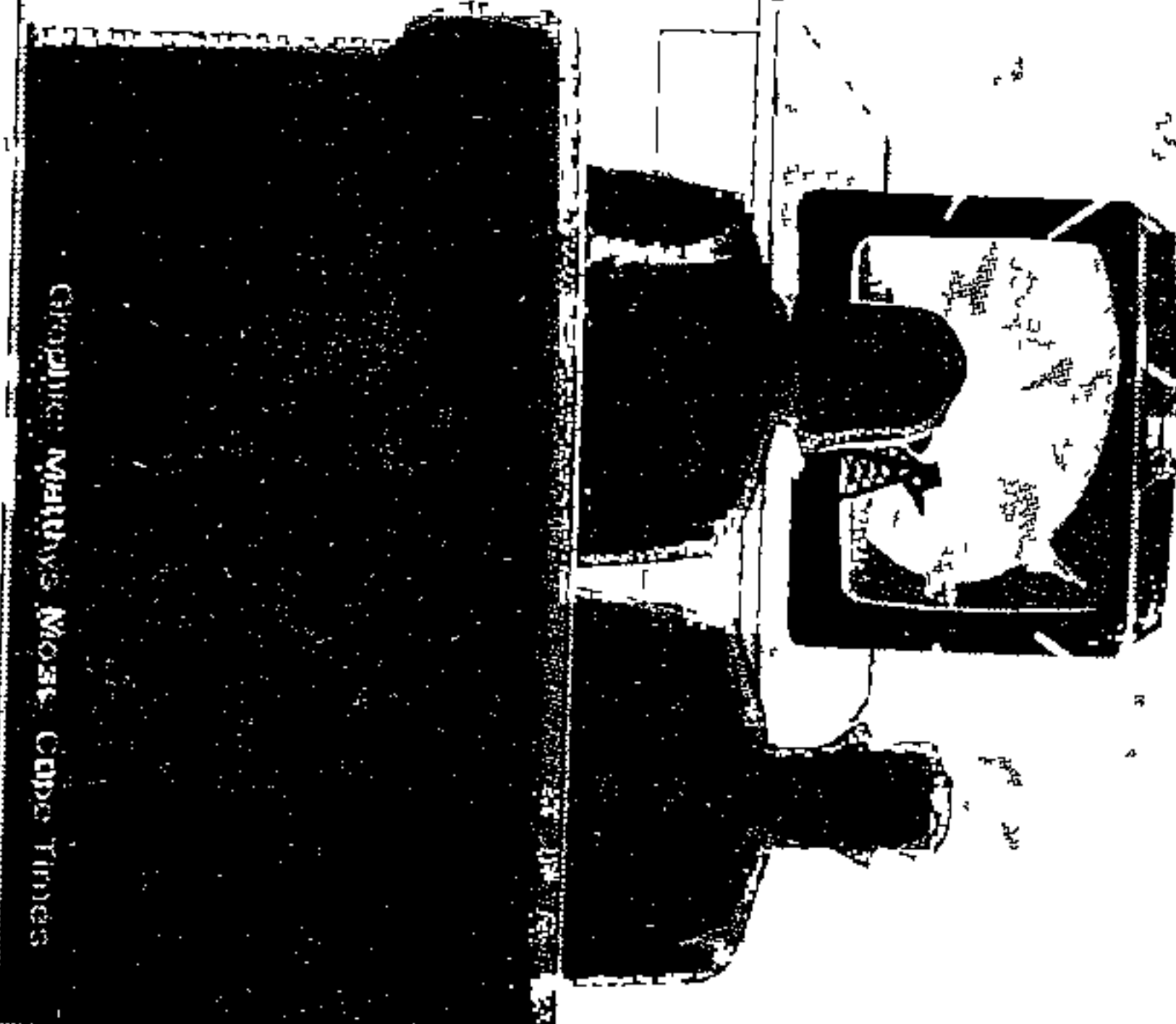
The IBA also called for regulation of both local and language content in broadcasting to ensure that 50% of prime time programming was South African and 40% of local programming

Dr Jordani said the considerations of nation-building and the forging of an inclusive South African identity were central to the question of local television content and South African music.

Licences

● National Party broadcasting spokesman Mr Martinus van Schalkwyk last night agreed with Dr Jordani that the protection of the SABC's television monopoly should not continue to 1998 and private television stations should be licensed as soon as possible.

Local content should be carefully



Grouping Martinus Moss, Cape Times

ownership had to be clearly determined by legislation and the NP warned against being too restrictive in this regard, Mr Van Schalkwyk said.

SABC head Mr Zwelakhe Sisulu yesterday welcomed the IBA's report, but said the SABC still felt "strongly" about proposals to reduce its three TV channels to two and to sell Radio Good Hope and Radio Lotus.

"We cannot deliver on our public service mandate on two channels, as required," he said.

The SABC would consult with the IBA, the public and relevant government committees about this to ensure that the final decision ended with the

(260)
CT 30/8/95

TYRONE SEALE
Political Staff

PUT South Africa first

That's the unequivocal signal sent out by the Independent Broadcasting Authority to the South African electronic media industry, which the IBA views as being under threat from overseas programmes.

Established by an act of parliament to regulate the broadcasting industry, as opposed to interfering with the content of specific programmes, the IBA has spent 10 months investigating

● The protection and viability of public broadcasting services

● Cross-media control of broadcasting services

● Local television and radio content

The IBA has proposed that the SABC reduce its channels from three to two quality channels, and says it will be in the interests of all that the transition to two channels is done as quickly as possible — ideally by the end of 1997.

IBA proposes trim for

260

The IBA recognises though, that the new National Public Broadcasting Service, as it proposes the successor to the SABC be eventually known, may need another year to complete this transformation. And it estimates the extra cost of retaining the third channel during 1998, with a private licensee operating, will be about R1 billion.

It proposes that during this time the National Public Broadcasting Service should begin to absorb some of the "excellent documentary and knowledge-building programming" on NNTV into the schedules of the other two channels and reposition its third channel to operate a satellite service.

Another proposal is the licensing, early in 1998, of a new private national television

channel with comprehensive language, public service and local content obligations. This may be comprised of a regional network or a single national licensee.

The IBA will also consider the financial viability of a second private channel, either nationally or regionally.

It says public and private television stations will be required to do a full range of entertainment, informative and educative programmes, provide regular news and information programmes, as well as children's and youth fare, comply with local content regulations, and provide programming in a range of South African languages.

The IBA also suggests that as part of these radical changes to television services,

the national broadcaster will have to

● Meet a 50 percent local content quota by 1998 with no channel providing less local content than the 30 percent required of the private broadcaster

● Fulfil its programming obligations, particularly in the area of news, current affairs, informal "knowledge building", children's programmes and news

● Deliver programming in all 11 official languages

Having explored the high cost of television, skills and the capacity needed to successfully operate a TV station, the IBA recommends at this stage that the needs of the provinces for relevant programming should be met by the public broadcaster.

It proposed "splits" of an hour a day, which will cost R222 million a year. This means the national service will, at certain times of the day, split into nine provincial services to cover provincial events and air material produced in the provinces in the predominant language.

Outside prime time it will also offer provincial curriculum-based educational programming to the nine provinces.

The Authority also suggests a clampdown — complete with full and extensive disclosures on private broadcasters' shareholdings and financial structures — on simultaneous ownership of print and electronic media by media conglomerates or individuals.

However, it says, exemptions

from these limitations will be granted on good cause shown.

It proposes adoption of broad principles

● No person who controls a newspaper may acquire or retain a financial control in both a radio and a television licence

● When a newspaper has a readership of more than 15 percent of total newspaper readership in an area, it may not be able to control a radio or television station when there is at least 50 percent overlap in the target audience

● The IBA will require full and extensive disclosure of the shareholding and financial structures of private broadcasting licensees

On the restructuring of radio in the public broadcasting ser-

TV
ARG 30/8/95

vice, the IBA recommends that

● The 11 language stations be licensed to the public broadcaster and that the nine black languages be dramatically upgraded. Station names which include the name of a language, such as Radio Xhosa, will not be allowed.

● These stations should all reach at least 80 percent of the people who speak the language of the station within 18 months and 90 percent within five years.

● Radio Lotus be put up for sale no later than the third quarter of next year. Communities now served by this station may apply for community licences.

● The SABC regional sta-

tions. — Good Hope, KFM, Algoa, RPN East Coast, Orange, Highveld and Jacaranda — must be sold with the IBA again undertaking to ensure community interests are protected in the new licences.

● The SABC retain Metro and 5FM because they are national stations, serve large and established audiences, and provide crucial revenue.

● The SABC proposal for the national public broadcaster to start a multilingual youth station for the 13-25 age group be accepted, subject to a comprehensive feasibility study and frequency availability.

● Due to the difficulties of meeting the language needs of the population on television and because it will be many years before Nicam technology that provides simulcast facilities within TV sets is standard equipment, the IBA recommends that Radio 2000 continues to be used for simulcast purposes.

Report is not final word on media policy - Jordan

ARG 30/8/95

(260)

TYRONE SEALE, Political Staff

THE Independent Broadcasting Authority report on the future of public broadcasting services is not the final word on media policy in South Africa, says Broadcasting, Posts and Telecommunications Minister P. D. Jordan.

He commended the IBA on its investigation, but said the report's recommendations were merely proposals at this stage.

"In the course of debating it within parliament and the cabinet and in the public sphere, some of the recommendations may be changed," Dr Jordan said during a briefing to the national assembly portfolio committee on broadcasting.

He said the issues were of such importance that it had not been possible to proceed with the opening of the airwaves without resolution and agreement by the elected representatives of the people.

Dr Jordan raised the ire of National Party members by saying the old SABC and TBVC broadcasters had been mere instruments of apartheid propaganda who would have done (nazi propaganda chief) Joseph Goebbels proud.

"They never served the South African public as a whole but were structurally and ideologically committed to the balkanisa-

tion of the country and the echoing of His Master's Voice."

On regulating the cross-media control of private broadcasting services, Dr Jordan said "We have inherited a private television company (M-Net) which is owned by the leading press corporations."

"One of the key aims of the IBA Act is to promote a diverse range of sound and television. Concentrations of media power stand in the way of achieving broadcasting diversity. This is a matter that needs resolution prior to the licensing of private broadcasters."

He said the considerations of nation-building and the forging of an inclusive South African identity were central to the question of local television content and South African music.

"If we do not create the conditions under which the images and sounds of South Africa and our unique experience as an emergent nation are reflected, there will always be some doubt cast on our claim to the title of a free, independent nation taking its place in the community of nations."

"In addition, how would the world construe the claim that we have thrown off the shackles of colonialism?"

Those who argued that market forces alone should determine what local television or music should be produced could well be condemning the people of South Africa to "electronic serfdom."

"(This would be) serfdom to half a dozen multinational media corporations who have no interest in nation-building and whose sole raison d'être is the maximisation of profit by selling their TV programmes at one-tenth of the price at which small countries are able to produce them."

Appropriate measures would have to be devised to ensure that more favourable conditions were created for South African music, television and film producers.

"One of these is to require broadcasters, as a condition of their licence, to carry a certain proportion of South African film, television and music."

This too would have to be resolved before new private licences were issued.

But he said the central issue parliament would have to negotiate was the future of public broadcasting services in South Africa.

Here he fully supported the IBA recommendations on the restructuring of the SABC and the integration of the TBVC broadcasters.

ANC, NP urge earlier TV changes

(260) ARG 30/8/95

THE African National Congress and National Party said today they wanted private television licences granted sooner than recommended by the Independent Broadcasting Authority, and the Freedom Front said it was concerned about the future of Afrikaans television.

They were responding to a 264-page IBA report on the future of South African broadcasting tabled in parliament.

The ANC, welcoming the report, said it would like private broadcasting licences granted before 1997.

It said the SABC should not be denied resources to the extent that it could not carry out its constitutional mandate.

The NP said in a statement the SABC's monopoly of broadcasting frequencies should not be protect-

ed until the end of 1997 as recommended by the IBA.

Private television stations should be licensed as speedily as possible so that the public could benefit from a greater variety of channels and opinions.

NP spokesman Marthinus van Schalkwyk said quotas for local content on radio and television should be carefully considered so that they did not frustrate the intended protection of local culture.

Regulations governing cross-media ownership should be clearly determined by legislation and not be too restrictive.

The Freedom Front said it was concerned about the future of Afrikaans as a television language in the light of the IBA's recommendations that the SABC reduce

its television channels from three to two.

"It would be impossible to do justice to the 11 official languages if the SABC had only two channels," Pieter Mulder said.

English would be the only language which would not suffer and this was unacceptable.

"It is problems like these which will force the drafters of South Africa's new constitution to reduce the 11 official languages even further in the constitution."

The only alternative, he said, was to allow each language group to launch its own television channel. Regional television also had to be considered.

The FF again appealed for the establishment of a separate television channel for Afrikaans speakers. — Sapa

R4,5m paid 'to publicise party'

Kevin O'Grady

A RETIRED SA Air Force and military intelligence officer was paid R4,5m in Bophuthatswana government funds for a campaign to "popularise" the ruling Christian Democratic Party, the Skweyiya commission of inquiry heard yesterday.

Brig Pierre le Clus told the commission, investigating corruption in the former homeland, the 1994 payments were part of a R6m contract between his company, Plecon Communications, and the party.

The money was given to him by the homeland's national security council's secretary, Jacob Esterhuizen, from a secret account held in the name of a fake company known as Western Management, on instructions from party treasurer Ephraim Keikelane.

"I suspected it was government funds, but at that stage I had no option but to accept the cheque ... my contract did not make provision for me to withdraw on such grounds," he said.

Le Clus said he approached party secretary and Bophuthatswana education minister Clement Sehune with the idea of running the party's campaign.

He denied his company was a "front" for Q Projects, another company running a voter education campaign for the Bophuthatswana government at the same time.

There was nothing sinister in the fact that a "substantial" portion of Plecon Communications' work was subcontracted to Q Projects and its subsidiary, Raden Communications Services, he said. It was "coincidence" that the values of the companies' contracts were identical.

Commission advocate Vas Soni said evidence showed that Q Projects had identified the party as a "weak link" in its voter education campaign, and that comments made by Le Clus at the cabinet meeting, addressed by a Q Projects official, might have prompted the Christian Democratic Party to sign the contract with Plecon Communications. Le Clus said this could have happened.

Le Clus told the commission that during the course of the campaign to popularise the party, which ended "abruptly" when Bophuthatswana was incorporated into SA in March 1994, he briefed the party's head committee — consisting of then president Lucas Mangope and most cabinet ministers — every fortnight.

Jordan disagrees with IBA

Tim Cohen

CAPE TOWN — Broadcasting Minister Pallo Jordan yesterday disagreed with the Independent Broadcasting Authority's (IBA's) recommendation that the SABC should lose a channel.

He also disagreed with the IBA's recommendation that there be a delay in introducing a private terrestrial channel. This, he said, might "overprotect" the SABC.

In the parliamentary communications committee, Jordan approved the IBA's recommendations on restructuring radio and endorsed imposition of local content regulations. "I would like to urge radio broadcasters not to see regulations about SA music on radio as restrictions but rather as an opportunity to develop SA music. The absurd assertion that an obligation to air SA music will encourage mediocrity must be met head on. No radio broadcaster will be constrained to relinquish quality control," he said.

He recommended that the IBA consider an incentive scheme for broadcasters playing SA music above the quota.

The ministry was fully behind the authority's approach to broadcasting regulation of terrestrial television. However, he asked the committee to test whether the IBA's proposals would meet their goals.

He wanted Parliament to examine closely recommendations on limiting the SABC to two terrestrial and one satellite

television channel, and allow a private terrestrial television channel only in 1998. "I am not at all comfortable about the proposal on the SABC's television channels. I am equally concerned that the delay in introducing the private terrestrial channel might overprotect the SABC and defeat the disciplinary aims of regulated competition to improve the quality and range of public and private television," he said.

"Concentrations of media power stand in the way of achieving broadcasting diversity. This is a matter that needs resolution prior to the licensing of private broadcasters." He railed against those who argued that market forces alone should determine what local television or music should be produced. This would condemn South Africans to "electronic serfdom" to half a dozen multinational media corporations that had no interest in nation-building.

These corporations' sole reason for being was the maximisation of profit.

NP broadcasting spokesman Marthinus van Schalkwyk said his party did not support the report's suggestion that the SABC's monopoly should continue until the end of 1997. The matter of local content should be considered carefully so that requirements which were too high would not frustrate the good intention of protecting local culture. The possibility of direct state funding of the SABC, no matter how restricted, created the possibility of political blackmail by the government, he said.

SABC may lose dominant role

IBA lays down local content quota for TV

Ingrid Salgado

THE Independent Broadcasting Authority yesterday unveiled plans to lay down a 50% local content quota on SABC television and a 30% quota for private terrestrial free-to-air TV stations.

The national public broadcaster's quota is to be achieved within three years. In addition, all TV stations must commission at least 40% of local content programming from independent producers.

The authority also laid down a mandatory 20% local music quota for radio stations. This would increase to 55% by the year 2000 for community and national public stations and to 40% for private broadcasters and music format stations.

M-Net would not be subject to these conditions since its licence had seven years to run and its local content conditions were regulated by that licence.

The quotas are final and not subject to Parliament's ratification. They form part of the IBA's report into the protection and viability of public broadcasting, local content and cross-media ownership, tabled in Parliament by Posts, Telecommunications and Broadcast Minister Pallo Jordan.

Tim Cohen reports that Jordan welcomed the report, endorsing large parts of it but objecting to certain proposals such as reducing the SABC's channels.

Jordan said the Cabinet would be asked to consider eight Bills on restructuring public broadcasting, four of which had already been drafted. The Bills would create a framework for establishing national, provincial and local public broadcasting services, integrate the SABC and former

TVBC broadcasters, limit cross-media control and provide for government funding to the national public broadcaster.

The IBA also called for the sale of 10 SABC and former TBVC commercial radio stations, representing a major shift in the broadcasting environment which would effectively end SABC domination of the airwaves. The stations are Radio Highveld, Lotus, Jacaranda, Good Hope, Oranje, Port Natal East Coast, Algoa, KFM, Capital Radio and Radio Bop. However, national SABC stations 5FM and Metro should be retained, the report said.

A number of private radio stations should also be licensed at a regional, provincial and local level on both FM and MW, the report said. No national private licences on FM should be granted yet.

The IBA called for an end to "apartheid radio" with the upgrading of the nine public radio African language stations. There should be 11 official language stations which operated under new names that did not refer to ethnic or language groups.

Recommendations on cross-media control would bar newspaper owners from acquiring or retaining financial control in both a radio and a television licence.

Newspaper owners could acquire a financial interest in a broadcast licence but could not control such ventures if the newspaper's readership exceeded 15% in the area of the radio or TV station's licensed area and if the radio station's licensed area overlapped with the newspaper's circulation by 50% or more.

The IBA's recommendations on public

Continued on Page 2

IBA

Continued from Page 1

broadcasting and cross-media ownership are subject to Parliament's ratification. An IBA official said if the SABC "kicks and screams" then the recommendations could take a long time to go through Parliament.

The report confirmed last week's leak that SABC TV would be reduced to two channels by 1998, with its third channel being sold as a national or regionalised private channel. The new channel would have "substantive" public service language and local content obligations.

It further recommended the SABC reposition the staff and programming of its third channel, NNTV, to operate a satellite service. NNTV's documentary and knowledge-building programming should be absorbed into the SABC's other two channels.

SABC TV should provide regional splits to the nine provinces which would operate simultaneously during prime time viewing

for at least 30 minutes daily, at a cost of R115m a year. This should be increased to hour-long splits.

The IBA recommended the SABC be funded through advertising, sponsorship, licence fees, government grants and other income such as leasing facilities. But government should provide extra funding for educational broadcasting costs, the cost of increasing African language and local content TV programming and the cost of provincial split time on radio stations.

On integrating TBVC broadcasters, the report recommended the SABC assume Bop TV's external broadcasting obligations and use its facilities for the proposed SABC satellite and external services.

It also proposed the following mergers: Radio Ciskei, Radio Transkei and Radio Xhosa to provide a single, principally IsiXhosa language service; Radio Venda and Radio Thohoyandou into a principally Tshivenda service; and the formation of a principally Setswana service from Radio Mmabatho and Setswana Stereo.

Broadcasting may take on a new look

The Independent Broadcasting Authority (IBA) report released this week has called for a number of changes to broadcasting in South Africa. In line with a mandate to consider the nature of the public broadcaster, cross media ownership and local content, a substantial proportion of the report dealt with the SABC and what changes the IBA felt should happen at the public broadcaster.

CHANGES recommended in the report of the Independent Broadcasting Authority will most likely have a substantial effect on the SABC. Michael Sparks assesses the situation.

The proposed changes are clearly an attempt to downsize many parts of the SABC, to make it a leaner, more efficient, more competitive organisation, which is also expected to produce better quality programming - one of the key aims of the report.

Many of the proposals are very controversial, particularly the call for the SABC to relinquish one of its three terrestrial TV stations by 1998.

While the IBA says the SABC should replace the land-based channel with a satellite one, the SABC has already rejected this proposal.

It will not lightly concede loss

ing a valuable terrestrial station because viewers need only have a TV, not an expensive satellite dish.

The major proposals of the IBA report are that the SABC lose one land-based TV channel and get a satellite station in its place by 1998, SABC sells 10 regional radio stations, private radio stations to play 40% local music by 2000, national public radio stations and community radio stations to play 55% local music, SABC television stations to

broadcast 50% local programming in three years, all official languages to be broadcast during prime time TV each month.

With the exception of the content recommendations, the IBA's proposals are subject to parliamentary approval.

Various laws have to be promulgated and the necessary funds made available.

Eight Bills are already in the pipeline but some will have to be modified.

Major political battles are expected before the IBA's recommendations become law.

Broadcasting Minister Pallo Jordan has already questioned whether the SABC should lose one of its three land-based TV stations.

At the same time, he has also expressed unhappiness with the two-year delay in licensing a private TV station.

The IBA was hamstrung in what it could recommend by the fact that M-Net shrewdly negotiated an eight-year licence in 1993 for its two land-based television stations. It is one of the only pay

TV corporations in the world that use scarce terrestrial frequencies rather than cable or satellite.

One section at the SABC that is set to grow is the African language radio services, which should be "dramatically upgraded", according to the report, with a substantial injection of new money.

There will also be growth in those stations when the former homeland broadcasters are integrated.

While extra income is clearly anticipated from the sale of 10 radio stations, the IBA has not bled the corporation of all its commercial revenue sources since it anticipates funding to continue largely as in the past.

Radio Metro and 5FM are to remain, catering to a broad national audience and also providing crucial revenue to the corporation. The SABC is to retain the only national radio licence, which is aimed to provide some protection from the extreme competition it will face once other stations are granted licences.

The SABC's chief executive,

(260) Zwelakhe Sisulu, while accepting that it should sell off several regional radio stations, is unhappy with the IBA recommendation that it relinquish control of Radio Lotus and Radio Good Hope because they serve specific communities.

Changes that the SABC began to implement itself recently, such as hiving away the signal distributor Sentech, are to be formalised, with the IBA calling for a separate company to be established under the auspices of Jordan.

This will remove the concerns of other broadcasters who will not have their own transmitters, but who have been concerned about using the signal distributor of the SABC.

Another proposal put forward by the SABC in the hearings which was looked upon favourably by the IBA was the plan for a multilingual youth station which the report said needed to be considered more carefully and a feasibility study to consider it.

IBA officials were very clear that the changes were made with the consumer in mind, and with the goal of producing quality programming and creating a competitive environment in what one IBA official described as an "historic opportunity".

"No listener or viewer should lose anything by the changes we have made. In fact, they should gain substantially from the changes," the official said.

While no-one wanted to be drawn on how long it would take to implement the proposals, the official said most of the proposals could be completed within nine months, if there was the political will.

But anyone who wanted to delay the process could easily do so, they added.

The news that radio licences for new commercial stations will take another nine months has been greeted with dismay by aspirant broadcasters.

Tony Sanderson, who is pushing for a commercial licence, said the IBA had promised faithfully that licences would be granted by the end of the year but was now reneging on this undertaking.

THURSDAY
AUGUST 31, 1995

Less Afrikaans on the airwaves 'from next year'

STAFF REPORTER

(260) (2)
ET 3/18/95
WHEN the South African Broadcasting Corporation relaunches its channels in February next year, viewers will see and hear less Afrikaans, according to the public relations department of the SABC.

Although research figures indicate large Afrikaans audience levels and a lucrative market, the necessities of "delivering programming in all 11 languages", on fewer channels, as recommended by the IBA, could mean less Afrikaans on the publicly-owned electronic press.

According to the TV1 public relations department, the amount of Afrikaans on TV1 has already been reduced and is no longer on a 50/50 basis with English.

Dr Daan van Vuuren, of the SABC's research department, concurred, but said he did not have the exact figures.

TV1, on average, is watched by 50,3% Afrikaans-speaking people, 30,4% English, 11% Nguni and 6,8% Sotho/Tswana, according to figures used by the SABC.

Quotas for local content on TV and radio are fair'

Ingrid Salgado

MAJOR role-players in the broadcasting industry said yesterday the Independent Broadcasting Authority's mandatory quotas for local content on TV and radio were reasonable but objected to its recommendations on the licensing of private TV broadcasters.

Broadcasters indicated they would gladly support local TV production and music industries.

However, they were concerned that the quotas put the onus of meeting minimum local music requirements on radio stations instead of the entire local entertainment industry.

The IBA this week revealed it would lay down a 50% local content quota on SABC TV, to be achieved within three years, and a 30% quota on private terrestrial television stations.

A 20% local music quota was stipulated for radio, increasing to 55% for community and national public stations by 2000 and to 40% for private broadcasters and music format stations.

The SABC has objected to recommendations that it sell its

third channel by 1998.

"The bottom line is we would not be able to achieve our public service mandate without three channels," SABC communications head Ken Modise said.

The corporation would take the matter up with the IBA, the public and relevant government committees, he said.

The SABC was also opposed to the proposed sale of Radio Good Hope and Radio Lotus, which would deny coloured and Indian communities public service broadcasters to service their needs.

Meanwhile, Primedia Broadcasting CE Stan Katz lashed out at the "gross protectionism" the IBA had granted to the SABC.

Reacting to recommendations that only one private TV channel be licensed, Katz said sufficient cognisance of international trends and national demand had not been taken into consideration.

Private TV broadcasters would now largely be restricted to satellite broadcasting which would limit the majority of SA viewers who could not easily afford satellite TV, Katz said.

On local content regulations,

National Association of Broadcasters executive director Daniela Goldman said it was disappointing the IBA had not made more specific recommendations on inter-industry consultation. "We have been pressing for some time for the establishment of a formal local content council, comprising broadcasters, television production interests, record companies and musicians," she said.

No broadcaster wanted to fight substandard material but there would only be good local content on radio if it was supplied by record companies.

Goldman said the quota for SABC TV was acceptable because the SABC had a "national mission which includes the development of a local production industry".

Bev Tromp, 5FM music manager, said local music quotas on radio stations should be accompanied by minimum local music output levels of record companies. The station gave between 12 and 15% of its air time to local musicians. "But this depends on what the record companies bring in."

Comment: Page 12

IBA suggestions welcomed

Ingrid Salgado

TIMES Media Ltd was pleased that the Independent Broadcasting Authority's recommendations on cross-media ownership had left a door open for print media to enter the broadcasting arena, electronic media GM Neil Jacobsohn said yesterday.

Print media had the skills, understanding of news collection and distribution, finance and management resources to contribute to a new broadcasting environment, he said.

The IBA has recommended to Parliament that newspaper owners may have financial interest in broadcast licences, but has placed limitations on newspapers having financial control over radio and TV licences.

Newspaper owners may not acquire or retain financial control in:

- Both a radio and television licence,
- A broadcast licence if its readership exceeds 15% in the area of the radio or TV station's licensed area, and
- A broadcast licence if this overlaps with the newspaper's circulation by 50% or more.

Jacobsohn said he was disappointed the IBA had chosen a formula based on newspapers' circulation figures which changed constantly and were "ex-

tremely difficult to administer".

Independent Newspapers MD Graham King said the group was surprised that limitations on cross-media control were not more severe.

However, the IBA seemed to distinguish between ownership and control and the group wanted clarity on the matter, he said.

The IBA said in its report it would require full and extensive disclosure of the shareholding and financial structures of private broadcasting licensees.

It also recommended criminal sanctions and financial penalties be imposed for breach of cross-media ownership regulations.

However, exemptions from these limitations would be granted on good cause shown.

The IBA said it was aware anti-trust legislation was being reviewed and as such its proposed cross-media regulations could be reviewed "to ensure consistency".

King said Independent Newspapers planned to make further submissions to Parliament on cross-media ownership. TML said it would consider its options in making further submissions.

This could be done through the Print Media Association on behalf of the industry.

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Keep all the channels

By S'thembele Khala

IN OUR SUBMISSION TO the Independent Broadcasting Authority, the Media Workers Association of South Africa pointed out that the SABC as a public broadcaster, or any other public broadcast service in its place, should be empowered to carry out the public mandate

We also pointed out that broadcasting services of the former Transkei, Bophuthatswana, Venda and Ciskei and the SABC must be integrated into one national PBS

We are therefore in favour of the SABC retaining its three channels – not only for three years as proposed by the IBA, but permanently

We feel that the IBA recommendations will create more problems in the industry than they will solve

Its failure to say anything about the future of the workers who will be affected by the proposed changes perpetuates the uncertainty and anxiety of the workers

About 200 workers will be affected by the suggestion to sell Radio Bop and Capital Radio. These figures will increase when casualties are added from other former TBVC areas

The IBA recommendation to deny access to new television broadcasters at a national level for three years is another problem

From the labour perspective, it would deal a terrible blow to the creation of employment opportunity for the workers who will be laid off as a result of the IBA recommendations

It will also deny employment opportunity to many other potential broadcast workers who cannot find space in the PBS. A medium-size television network will be able to create direct employment for about 400 workers and indirectly for about 100 (freelancers, production houses and so on)

The decision to continue the present monopoly tightens the stranglehold on workers as it denies them the freedom to sell their labour to the highest bidder

Their movement will be restricted and this, in turn, negatively affects their working conditions. These largely skilled and semi-skilled workers cannot test their skills in an environment of free competition

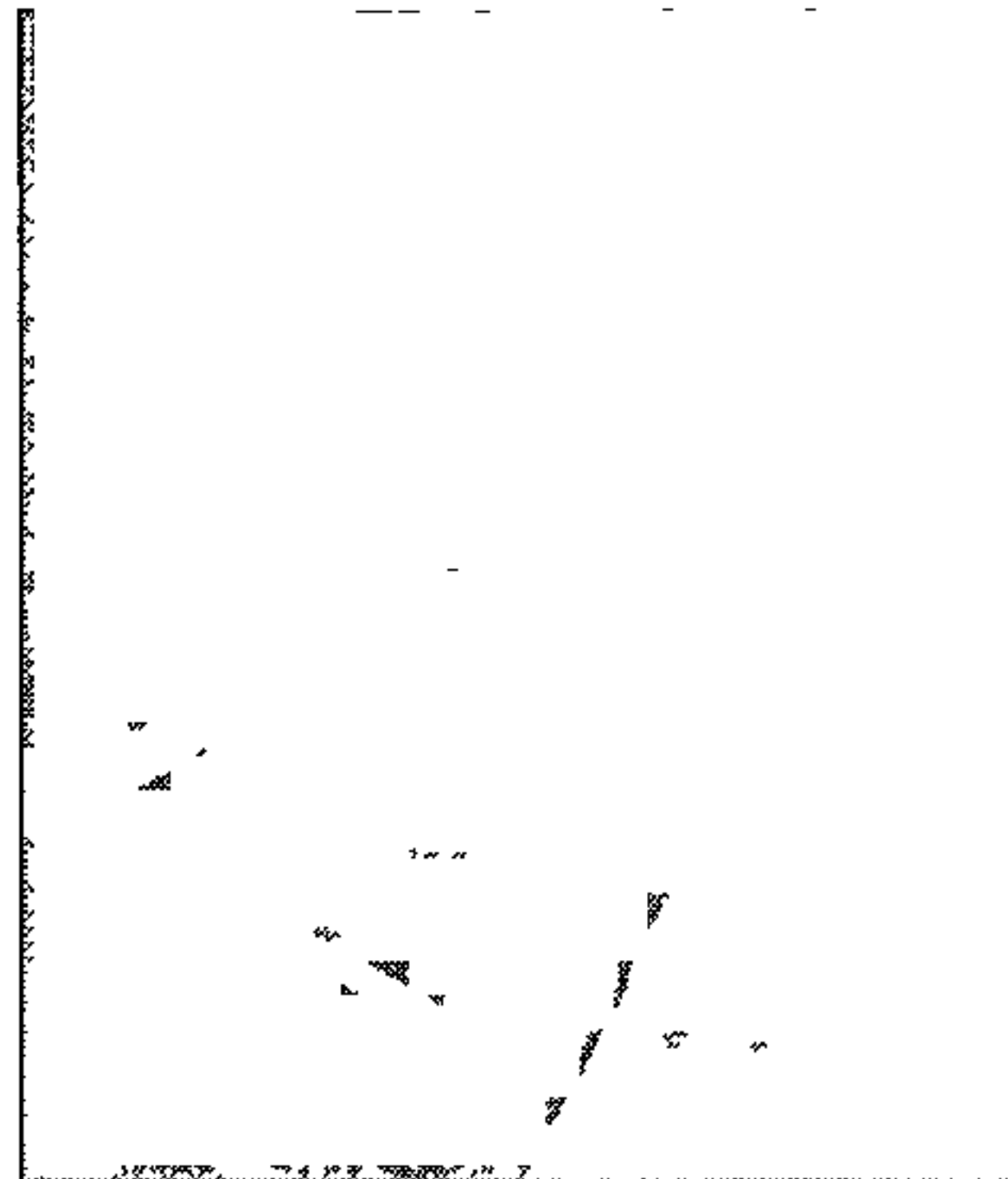
They are at the mercy of one employer, and once they are dropped, the sun sets on them

Contrary to the ongoing arguments about job security for workers under these conditions, job security is not necessarily a function of monopoly and, in fact, there is less security under these conditions

The IBA recommendations will also deal the struggle to free the airwaves a devastating blow. The aim of this struggle is to ensure a free flow of ideas and to have as much diversity of opin-

This is a response to the Independent Broadcasting Authority's recommendations on broadcasting tabled in Parliament on Tuesday

(260) some say 31/8/95



S'thembele Khala, general secretary of Mwasa.

ions as any healthy democracy can take

These recommendations come at a time when the President is making a call to business to invest more in the economy. International business could accept this challenge

They can simply go satellite to circumvent the IBA even if it means broadcasting from the neighbouring states and being accessible to the privileged few

Not that this will not happen if we do open the industry, but it would give terrestrial television a chance and will afford local capital an opportunity to utilise their natural resources

The economic arguments advanced by the IBA should be rejected as it did not consider other important issues such as the fact that the decline in advertising revenue is partly because of the recession and partly because of the exorbitant prices demanded by production houses to create adverts

Another factor is the shift in listenership and viewership. It is common knowledge, for instance, that the SABC's listenership and viewership figures are dropping

We do not know all the reasons for this, but certainly programme content is one of them. Take drama production as an example

Clearly not everyone is happy with the excruciatingly boring productions like *Mokgonyana Mmatswale*, *Bonweenwee* and *People's Justice*. This is complacency on the part of the SABC which is not in line with the fact that

it is a programme-driven organisation

The benefactor becomes M-Net, which has no public mandate obligation and can simply import American films very cheaply and play them over and over again. Is the intention of the IBA to continue this benefit?

If you leave only the SABC and M-Net to continue to share the advertising cake, there is no guarantee that its size will change unless you change the cake legislation

The argument that increasing the number of players threatens the cake fails to take into consideration that the size of the cake depends on the industry, and if you broaden the industry, you are increasing the size of the cake

To open up the industry – even if by a small margin for the time being – will bring into the industry new ideas and new advertisers

Advertising in South Africa accounts for only about one percent of the gross domestic product, whereas in other parts of the world it is two percent or more

This is a clear indication that our advertising economy is not as saturated as we are told. What it means is that our advertising strategies and methods are not up to scratch

Another consideration is that blacks are not likely to be empowered in the broadcasting industry as it is a very expensive business, almost beyond their reach

But it should be remembered that this country chose capitalism as the economic way forward. It is therefore necessary to create support systems like the creation and development of the black bourgeoisie class, which will have a common economic purpose with its white counterpart

This move would encourage joint projects and gradually create economic empowerment. South African joint capital can engage the internationals. In December Mwasa will attend a conference in the United States on *Broadcasting without frontiers*. South Africa is the focal point, and sooner than we think our airwaves will be invaded by the international community

We can be proactive and not be pushed to take decisions which, in the end, will be inimical to the interests of South Africans

We urge the Government to allow new players. Economic forces will decide whether those players stay around or die a natural death. (The writer is general secretary of the Media Workers Association of South Africa)

casting is to be provided by it in both media (which the IBA proposes should happen in partnership with "education stakeholders"), the cost would be so far beyond its present revenue sources that large government grants would be necessary.

For example, 30 minutes a day of regional TV in all nine provinces would cost R153m in 1996-1997, with a similar amount required for meeting the IBA's local-content TV recommendations. Those two items alone cost more than the R300m the SABC expects to raise annually from licence fees in the years ahead. Implementing the Education Minister/SABC Task Force report on TV educational broadcasting would cost a further R160m next year, rising to R400m in the 2000-2001 financial year, says the IBA's Triple Enquiry report.

The report says that trimming the SABC should be achieved by reducing its three terrestrial TV channels to two by end-1997 (or a year later, if that's too soon), using resources thus freed and Bop TV's facilities to broadcast via satellite (which the Canadian Broadcasting Corp does profitably, says an IBA official).

The SABC should also sell eight of its 22 radio stations (Highveld, Good Hope, Jacaranda, Algoa, Port Natal East Coast, Oranje, KFM and Lotus — all of them profitable), retaining Metro and 5FM, both of which produce substantial revenue. Ownership, too, of its profitable signal-distributing arm, Sentech, should pass to government with no capital consideration involved (though any loan commitments would have to be taken over by government).

The IBA recognises that privatising these radio stations will produce "extreme competition" for the SABC. It therefore proposes that only metropolitan, as distinct from national, licences be granted to private radio broadcasters. Similarly, new commercial TV interests that are expected to be on the air by 1998 (one service broadcasting nationally or two to three regionally) will have to "provide a full range of entertaining, informative and educative programming across the schedule as a whole and at prime time."

The Triple Enquiry report covers not only the future viability of the SABC but also cross-media ownership and local content.

It recommends that "no person who controls a newspaper may acquire or retain a financial control in both a radio and a television licence." Control of a broadcasting medium means having a 15% or greater shareholding in the licence, and the restriction would apply only to the area where the newspaper "has an average issue readership of more than 15% of the total newspaper readership in that area, if the licence area of the radio licence overlaps substantially (by 50% or more) with the said circulation of the newspaper."

The IBA proposes large amounts of local

content the SABC should achieve 50% on TV within three years, and private broadcasters 30%. On radio the requirement for both the SABC and the private sector will be 20% local music. Moreover, 40% of local TV content will have to be commissioned from independent producers. The IBA's report was tabled in parliament this week for decisions on the recommendations concerning the SABC, private-sector broadcasting and cross-media ownership.

In the matter of local content, however, the IBA has the final say, it points out. ■

BROADCASTING **The IBA proposes**

(260)

FM 11/9/95

A leaner SABC, working to present standards, would be financially profitable without any government grant. This is despite looming competition from newly licensed SA broadcasters, satellite radio and TV, says the Independent Broadcasting Authority (IBA).

If its standards are to be improved, if more regional TV and radio programming is to be offered, and if educational broad-

ISCOR

Recovery continues

Since attributable profit bottomed at R283m in 1993, the recovery has produced some spectacular gains in each of the past two years, taking the latest figure to just over R787m. Earnings doubled in the 1995 year — but perhaps the most encouraging part is that management believes the upward cycle has some way to go.

It would certainly be disappointing if the group was already close to its peak. Operating income of R1,17bn in 1995 has returned roughly to the levels of the top of the last cycle at the turn of the decade but profitability and return ratios remain well below their previous best.

Turnover has almost doubled since the last profit peak and the group has invested huge amounts of capital since it was listed in November 1989. Taking just the past two years, it spent R567m in 1994 and R934m in 1995, the latter including R225m on rights issue projects.

Plainly, much of this capital, and the additional equity raised through the R1,3bn rights issue in March, has not had enough time to generate the expected returns. Some comparisons are also distorted by changes in accounting policies, particularly the move to the more conservative comprehensive method of accounting for deferred tax. These affect 1995 results and 1994 figures have been restated.

There's little point attaching undue weight to the current return on equity of 12% or the similar return on capital derived from preliminary accounts. But in 1990 the ROE was more than 15%, ROCE was 15,9%. More interesting is that the operating margin was 19,5% in 1989 compared with 10,5% in 1995.

Much of the capital spending — as well as the continuing efforts to cut costs and improve asset management — has been aimed at improving efficiencies. With domestic and export demand still firm, it indicates the potential for significantly wider margins. CE Hans Smith says the restructure embarked on two years ago has included 7 500 job cuts and decentralisation of management. "The productivity programme will never cease," he adds.

Also improved in the latest accounts is dis-

Smith the productivity programme will never cease

closure. A segmental breakdown included for the first time shows that much of the momentum at trading level is now coming from steel. While operating income from mining grew 18,4% to R470m, income from steel virtually doubled to R921m.

The steel division's operating margin jumped from 5,8% to almost 10% and steel division MD Kevin Robertson is looking for "a lot better in the year ahead." This would flow from productivity, better pricing and expected further improvements in the local market which would result in a more profitable sales mix.

Management feels the local steel cycle will peak only in the 1996-1997 year, at about 4,75 Mt. Iscor was unable to take full advantage last year of the "attractive" prices available in the export market because of burn-through of the Newcastle furnace but maximum steel output should be attained

STEEL HEATS UP

Year to June 30	1994	1995
Turnover (Rbn)	9,57	11,16
Pretax profit (Rm)	540	1 023
Attributable (Rm)	391	787
Earnings (c)	19,9	38,5
Dividends (c)*	8,3	16,5

* Includes capitalisation share awards

this year. The most important of the group's steel export markets, the Far East, is forecast to peak in the second quarter of 1997.

Mining head Ben Alberts says iron ore export prices were 6,6% lower but tonnage sold was a record 18,6 Mt. "The market is still strong and is going to stay strong. Whatever we can produce will be sold."

Among new projects, the feasibility study for the mineral sands prospect produced "interesting" results and indicated that Iscor could open two mines, one at Richards Bay

and one at Gravelotte, both supplying a central smelter and dry plant. Final results should be available near the end of the year and a decision could be made soon after.

For the steel division's stainless project at Pretoria, orders have been placed for main plant and equipment and start-up is expected in April 1996. Saldanha Steel is awaiting the outcome of Judge Steyn's commission, contracts are ready to be awarded.

The profit turnaround has been accompanied by a transformation of Iscor's balance sheet. The R2bn debt burden of two years

ago has been replaced by net cash of R597m, though the cash balance of R1,88bn includes the remaining rights issue funds.

For this year, Smith is looking for earnings growth "well ahead of inflation though not at the same rate as the past two years." With the p/e at 11 and the price 422c — below Highveld Steel's p/e of 15,6 — the market seems to be waiting for developments. Uncertainty about Saldanha may be unduly affecting sentiment. Considering the growth potential, the price looks conservative and may have room to appreciate.

Andrew McNulty

Eskom is still reducing its gearing and the real price of electricity, while vigorously participating in domestic electrification (see *Business*). According to Electricity Council chairman John Maree, Eskom is increasingly financing its net capital expenditure from its own cash flows.

The 1985 debt equity ratio of 3:1 had been reduced to 1.7:1 by December 31 1994 (date of the latest accounts). Eskom's intention is to reach debt equity parity within the next four years. At the end of 1994, Eskom had total assets of R47,4bn. Revenue for the financial year was R15,4bn and net income R2,3bn.

Eskom undertook to reduce the real price of electricity by 20% between 1992 and 1996 and the current year's figure makes this goal realistic. The price increase for electricity in 1994, at 7%, continues to reflect a significant decline in real terms — 73% of its level 10 years ago.

CE Allen Morgan reports revenue for the year increased by 11,8% to R15,417bn as a result of the net tariff increase of 7,6% last year and a 3,9% increase in sales volume.

Operating expenditure increased by 10,7%, to R9,97bn. Net interest and finance charges increased by only 1,2% to R3,186bn — covered 1,7 times by net operating income.

Net income was R2,3bn, a 37,8% increase over 1993. On a current value basis, it was R407m, up from R14m in 1993.

The real return on assets was 4,3% (4,1% for 1993), which is considered satisfactory. Provisions include R201m for arrear debt

ECONOMY & FINANCE

(against R167m) and R192m for de-commissioning obsolete coal-fired capacity.

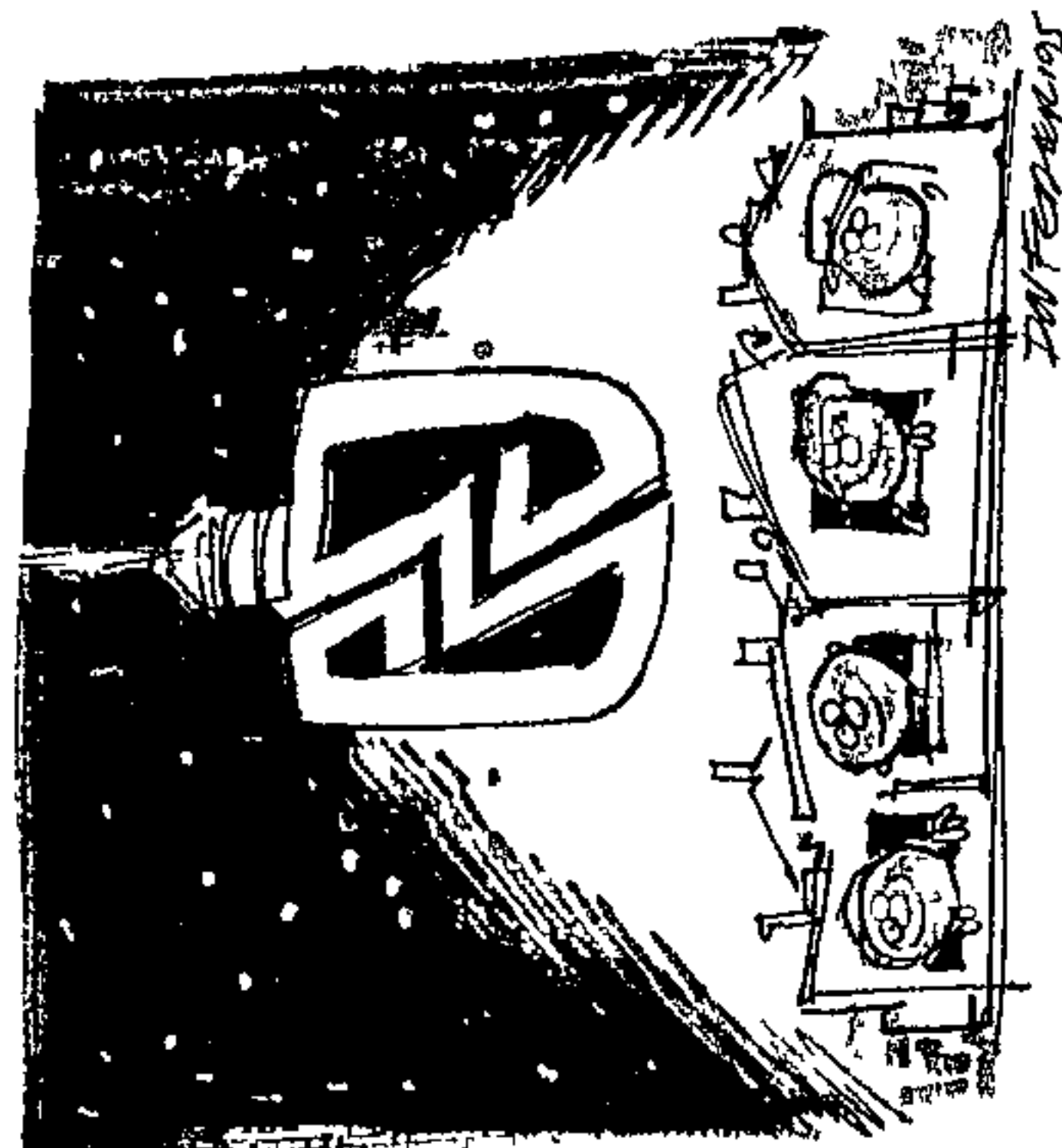
The notes to the cash flow statement show that Eskom repaid more than R1bn debt to local capital and money markets last year, while net interest-bearing debt dropped from R28bn to R27,8bn. Eskom has already completed its local refinancing programme for this year. Much of the finance for 1995 was achieved in 1994, through the issue of Electrification Participation Note 2 (EN2), which raised R1,2bn and replaced EN1, issued in 1993.

The effects of the severe local bear market in bonds was substantially offset by shrewd hedging strategies adopted in late 1993. Eskom expects to abstain from the local capital market during the remainder of

this year, having raised significant amounts abroad, notably a loan from the Bank of Taiwan, a Japanese Exim (export-import) loan to finance capital goods and a syndicated loan issue completed in May. The utility announced recently it "is contemplating the Japanese Samurai bond market for the first time in October" — prefunding for 1996.

In the local money market, the expected effect of local operations will be net borrowings of a modest R300m for the remainder of 1995.

To help it with overseas borrowing, Eskom has obtained credit ratings from Moody's Investors' Services (Baa3) and from Standard & Poors Rating Group (BB) — the same as SA's.



In the league table of world electricity prices, SA has achieved an average price of UK2,5p/kWh. Translated according to the ruling exchange rates of December 31 1993, this compares with more than 8p in Japan, 7p in Germany, 5p in the UK and 4p in the US and France.

Eskom's industrial customers pay 38% less than their North American and 50% less than their European counterparts. Eskom's long-developed skills in burning low-grade coal to generate power gives SA a major comparative advantage in electricity-intensive industries, notably the conversion of base metal ores to products such as aluminium and stainless steel.

The major financial blot on this remarkable record is continuing nonpayment by customers "in certain areas" — presumably black urban areas. However, Maree says cutting off power to individual nonpaying customers is starting to have the desired effect. But the pattern of nonpayment still needs to be addressed by all parties if RDP objectives are to be achieved.

APR 2/9/95 (260)

SABC introduces Sesotho, Setswana services

JOHANNESBURG — The South African Broadcasting Corporation is launching radio services in Sesotho and Setswana.

SABC radio news editor-in-chief Barney Mthombi said these regional transmissions would focus on news and current affairs.

Both stations would begin broadcasting on Monday and would transmit between 5.30 pm and 7 pm

The SABC said the introduction of the new services followed the approval earlier this year of a R17 million expansion programme to improve radio broadcasting

Broadcasting services in Bloemfontein and Kimberley had to be upgraded for the new services.

Other regional services will be introduced next month — Sapa.

R1-m pay not true

— Nyati

(260) Star 4/9/95

■ BY CLYDE JOHNSON
and OWN CORRESPONDENT

Nelspruit — So-called "gravy train millionaire" Eugene Nyati last night described as "absolute rubbish" a Sunday Times report which said he had been paid R15 000 a day as deputy chairman of a commission studying the rationalisation of three government development corporations.

He accused senior civil servants of undermining the commission's work and hit out at the "white-controlled" media for trying to "derail" the inquiry days before completion.

Speaking from Nelspruit last night, he said he would give exact figures in 10 days time, but he estimated his personal fee would be about R150 000.

The commission is investigating the rationalisation of the KaNgwane Economic Development Corporation, the KwaNdebele Development Corporation and Agrigwane.

The Sunday Times report said Nyati earned more than R1-million and was living at the highest graded hotel near Nelspruit and had run up R96 153 in air fares.

Nyati said in a statement yesterday his inquiry had done in two months what countless inquiries and studies failed to do in previous years.

"To spend this money and to fully address the mandate given us by Cabinet and in the process save potential mismanagement and losses of hundreds of millions of rands is an admirable feat," he said.

The bulk of the commission's budget, which Nyati estimated at about R1.5-million, would be paid to sub-contractors including lawyers, advocates, auditors and accountants.

Mpu L. L. Mmer-Mauli, special adviser to the prime minister, has been appointed to investigate the newspaper's allegations.

Electricity industry to change soon

(260) (88) CT(MR) 5/9/95
FROM SABA

John Maree, the chairman of Eskom's electricity council, said yesterday that the South African electricity distribution industry would undergo significant changes in the short to medium term.

Speaking at the biennial convention of the Association of Municipal Electrical Undertakings held in Kempton Park, Maree said, the South African electricity customer base was undergoing rapid growth and transformation through electrification programmes.

"Changes in trading relationships, technologies and market structures will undoubtedly lead to changes in the character of the South African electricity distribution industry, but the political process involving local, regional and provincial government is likely to have the most dominant impact on the industry's structure in the near term.

"We will see trends to concentration as well as to fragmentation and specialisation. These will not necessarily be mutually exclusive changes," Maree said.

Maree said the industry was currently dominated mainly by Eskom, a few metropolitan organisations and a growing number of interim structures.

Over time, Eskom and the metropolitan bodies would lose many of their customers and interim structures would disappear entirely.

They would be replaced largely by a number of statutory corporations established specifically for the purpose of managing and operating the distribution of electricity in South Africa.

Maree appealed to delegates not to fight rationalisation.

SA electricity remains the cheapest

BO 6/9/95

(25) (260)

Mungo Soggot

SA's electricity remained the cheapest in the latest survey of 16 countries by the National Utility Services (NUS).

SA held on to pole position despite having the largest price increases of countries measured during the April 1994-April 1995 survey.

NUS SA national sales manager Rob Mackenzie said yesterday that of the major local authority electricity distributors, only Johannesburg had hiked

prices above the inflation rate while Eskom had kept its increase to just under 4%.

An Eskom spokesman said the national power supplier was well on track to meet its price compact to cut prices 20% in real terms between 1992 and the end of next year.

It was also on the way to meeting its pledge to cut prices 15% between 1995 and 1999.

The average increase during the period was 7,27%. The country with the lowest was Australia with a 4,32% reduction. The survey showed that Spain, Holland, France, Britain and Australia had cut their prices, while Belgium and Norway had hiked prices above the rate of inflation.

Mackenzie said the creation of the National Electricity Regulator this year should keep a lid on SA price increases as suppliers would now be more accountable. Municipal operators would now have to justify hikes.

Commenting on the regulator's recent announcement that it had been unable to grant licenses in six months due to the disorganised state of the supply industry, he said the time frame had been optimistic.

He welcomed the regulator's intention to rationalise the industry, which would probably see small local authority operators stop supplying electricity. Eskom would probably take over some of these. He expressed concern that the regulator had mooted the possibility of imposing a tax on electricity to compensate those local authorities who would be losing a major source of income.



SABC Radio News chief Barney Mthomboti.

New SABC services

(260) Sowetan 7/9/95

By Elliot Makhaya

THIS week the SABC Radio started its daily regional broadcasts for Free State and Northern Cape

Editor in Chief of SABC Radio News Barney Mthomboti says regional transmissions in Free State and Northern Cape will focus mainly on news and current affairs and should enhance the editorial product of SABC Radio

The transmissions, which take place between 5.30pm and 7pm, are in Sesotho from Bloemfontein and in

Setswana from Kimberley. The introduction of these services follows the approval of R17 million expansion programme earlier this year to improve radio coverage in the various provinces

Upgrading services

Broadcasting infrastructure has been upgraded in Bloemfontein and Kimberley for these services

The launching of the Sesotho service was celebrated this week at a function in Bloemfontein attended by Free State Premier Patrick Lekota. On

Monday night the Setswana service in Kimberley was launched with a special broadcast in which a number of local leaders took part

The new services follow the introduction of the first regional transmissions in July from Cape Town in Xhosa and from Johannesburg in Zulu

From October, regional transmissions will start in Northern Sotho from Pretoria and in Afrikaans from Kimberley, Cape Town and Port Elizabeth. This will then complete the first phase of SABC regional radio transmissions

IRON Maiden, the famous UK heavy metal band, will perform in Johannesburg, Durban and Cape Town during October, promoters Big Concerts announced this week

Iron Maiden's South African dates are Thursday October 5 at the Standard Bank Arena, Johannesburg; Saturday October 6 at the Village Green, Durban and Monday October 9 at the Good Hope Centre, Cape Town

OPENS NEXT WEEK!!

Becker breathing fire in New York



19

Office Star

R1,50 inc VAT

FRIDAY SEPTEMBER 8 1995

■ BY BARRY RONGE

SABC exodus looms as Penny quits

Penny Smythe has resigned from the SABC — giving credence to rumours of an impending exodus of talent from the national broadcaster to M-Net.

Smythe's name has been widely mentioned as the presenter of a new high-profile entertainment show on M-Net, currently being prepared by producer Shan Moodley, which is set to premiere next month. Sources within M-Net say the show is aimed at the 8pm prime-time slot in direct competition to SABC news.

Smythe won't comment on her involvement with the show, but pilot programmes and tests for the new M-Net show have been filmed. Another SABC news personality whose name has been mentioned as a possible presenter for the new show is Khanyi Dhlomo-Mkhize, who is currently on suspension from

the SABC for appearing in a television advertisement for her own magazine. The idea of these two news anchors hosting a show in competition to SABC news would be a pointed protest at the SABC's ban on advertising opportunities for its stars.

Also currently under suspension for appearing in an ad is Gerry Williams, the NNTV presenter whose work on *Artworks* has contributed greatly to the success of this off-the-wall programme. Producer Kathy Berman is fighting Williams' suspension,

but in the recent similar case involving TV news journalist Suzette Pooock, the SABC stuck to its decision to suspend her for making a television advertisement.

► Page 3 — SATV to anchor in English



Smythe ... for M-Net?

luel vi me assembly of first provincial police later moved in but he said it was for over the side he was pulled

SATV to 'anchor' in English

(260) star 8/9/95
The SA Broadcasting Corporation Board yesterday announced that English will be the "anchor language" for its television broadcasts.

It said research had confirmed that a majority of viewers of all language groups preferred English as an alternative to home language viewing.

Other reasons were that English "is the language of aspiration and empowerment for a large section of the viewing public", and "programme availability and affordability".

The SABC's third TV channel would be devoted principally to English and serve mainly metro-

politan areas, but would also be transmitted nationally from the recently launched PAS-4 satellite.

Programmes outside prime time slots on all three channels would carry a mix of multilingual local programmes and international programmes in English.

The board said the corporation appreciated that 11 constitutionally recognised languages had to be reflected equitably on its services.

It had therefore resolved that the only fair and rational basis for determining an equitable allocation of broadcast time and resources was in proportion to

the demographic composition of the population.

A logical consequence of this was that prime time from 5pm to 11pm on one of the three SABC channels would be devoted to Nguni languages Zulu, Xhosa, siSwati and siNdebele.

A second channel would be shared between the Sotho languages - Setswana, Sepedi and Sesotho - as well as Afrikaans, while the third channel would be devoted principally to English.

The board had also accepted the principle of regional decentralisation of its services in order to provide better coverage of the provinces - Sapa.

English NOT on TV

□ SABC board confirms language policy after viewers give their verdict (260) *Art 8/9/95*

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The board said it had accepted the Independent Broadcasting Authority's recommendations that some of the corporation's commercial radio services should be privatised.

However, it wanted Radio Lotus and Good Hope Stereo to be retained by the SABC and would make recommendations to that effect to the IBA and to parliament.

Preparations for the privatisation of the five other services — Highveld Stereo, Jacaranda Stereo, Radio Port Natal, Radio Algoa and KFM — would be initiated "immediately".

The board had also accepted the principle of regional decentralisation of its services to provide better coverage of the provinces.

During 1996 it would implement a phased introduction of regional programming in fixed time slots. The target was to achieve half an hour per region each day next year, increasing subsequently to one hour daily for each region. — Sapa.

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(2605) Mar 8/9/95

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BopBC to be dismantled

(260) WMM(MM)8-14/9/95

Last week's IBA report could lead to the closure of Bop Broadcasting services, writes Neil Bierbaum

BOP Broadcasting Corporation is to lose its television and radio services as a result of the Independent Broadcasting Authority report. BopBC's television and radio services will be closed if the IBA's recommendations regarding the TBVC broadcasters are accepted by Parliament.

The implications of the IBA report are that Bop TV, Mmabatho TV and Radio Sunshine should be closed, Radio Mmabatho should be combined with the SABC's Radio Setswana service to serve the North West and surrounding areas. Radio Bop should be sold to private interests.

The corporation's facilities are to be incorporated into the SABC along with those of the other TBVC broadcasters. The satellite uplink facilities at

Bop will be used for the proposed SABC satellite service, which was mooted in the IBA Report. An IBA spokesperson said that an international news service was one possibility. It is envisaged that such a service would bring in additional revenue and enable South Africa to become an international player.

The Bop TV studios could be used as a regional broadcast centre for the North West, as well as an overflow facility for SABC productions. It is expected that much of the equipment will be sold off. Radio studios could be made available to community or commercial broadcasters who choose to operate in that area.

An amendment which will bring BopBC under the IBA's jurisdiction has been presented to the minister and is expected to meet with the Cabinet's approval. The amendment is intended to facilitate the integration of all the former TBVC broadcasters into the SABC. "The amendment is not strictly necessary," says minister consultant Willy Currie. "It is just making the point absolutely clear in the event of a dispute."

During the IBA hearings Bop proposed, in a document entitled *Break-*

ing Barriers, that its facilities should be used to provide a national backbone of television programming into which the regions can insert their own windows. However, the IBA was clearly not convinced by the financial implications of the presentation.

Although the North West government — which claims to own the facilities — and the management of Bop are expected to go along with the proposals, there has been some criticism of the IBA decision. "We didn't expect everything in our proposal to be accepted," BopBC director-general Solomon Kotane said on Tuesday, "but we thought some wisdom would prevail."

'We didn't expect everything in our proposal to be accepted, but we thought some wisdom would prevail'

"It seems like the SABC report has been endorsed without any changes. The idea of windows in which the provinces get 30 minutes is not adequate provincial television. We will have the same monopoly and centralisation of views. Community and commercial broadcasters will not provide sufficient diversity of views."

"The switch should not be in Auckland Park, but in each province, so that the regional broadcasters can cut in as and when they want to, according to how much programming they have available."

"The IBA has failed to make a clear statement on the need for regional broadcasting identity," says Professor Graeme Addison, head of communications at the University of the North West, who was appointed by North West premier Popo Molefe to a technical committee on the future of BopBC. "The SABC has shown that from the metropolitan centre it is incapable of reflecting the interests of the regions. It will also mean that capacity will not be built in the regions. Any region that has no capacity will not commit large resources to an hour a day of programming."

Some commentators believe that the IBA has thrown in its lot with ANC centrism to avoid a showdown. "The IBA has tended towards a centrist policy," says Addison. It has also been mooted that certain camps within the

ANC fear that independent regional broadcasting might be usurped by regional governments in certain regions. However, Currie stated that, "The Public Broadcasting Services Bill, which arose out of the colloquium on regional broadcasting, set down standards for regional public broadcasting services, the main one being that it must have a board set up according to some formula which would prevent any partisan influence." According to the report, there is to be a controlling body which will determine the principles and structures of regional public service broadcasting.

Others believe that the problems for BopBC began when Bop relinquished its transponder space on Intelsat 704 to join MultiChoice on the then unlaunched Pas-4. If Bop had secured other satellite programming to package alongside its TV station on Intelsat 704, it would have been broadcasting by satellite to the whole of South Africa and would have been financially viable and operationally independent. If that had been the case, the IBA might have recommended that Bop be privatised, an idea which had found agreement in certain influential circles even before the IBA came into being.

However, deals were struck which favoured M-Net and ultimately led to the demise of the homeland broadcaster.

BROADCASTING REPORT

A mixed bag

(260) KMS 8/9/95



The Independent Broadcasting Authority (IBA) will please no-one completely with recommendations arising from its Triple Inquiry into broadcasting. This may be a good thing to the extent it indicates even-handedness, but that doesn't mean all its proposals are optimal, or that steps it has taken in the right direction are big enough.

The Triple Inquiry covers three areas of interest: the protection and viability of public broadcasting services, cross-media control and local content. It's the first section that's likely to prove least satisfactory. Neither the SABC nor the independent commercial broadcasting industry-in-waiting seems entirely happy with its proposals to open the broadcasting airwaves.

On one hand, the IBA proposes selling off 10 regional SABC radio stations (see table) and reducing the SABC's TV holding from three channels to two, which seems to clear the boards for the private sector to enter the field. On the other, it wants to hold up private entry into the TV field until 1988, because this will give the SABC time to transform itself into a public service broadcaster without having to face the rigours of competition.

This, combined with the retention of the national radio channels, seems set to maintain the SABC as the most powerful voice in media.

But if the SABC is to address the needs of all language and cultural groups, and include information and education in its brief along with entertainment, the chances are it will never be able to attract advertising on the same scale as an entertainment channel.

Stephen Hahn-Griffiths, MD of Indigo Media, part of the Bates SA advertising group, notes that when a similar exercise was conducted in Czechoslovakia two years ago, the commercial channel swallowed 70% of the TV audience in six months. "People watch TV to be entertained, not to be informed and educated," he says.

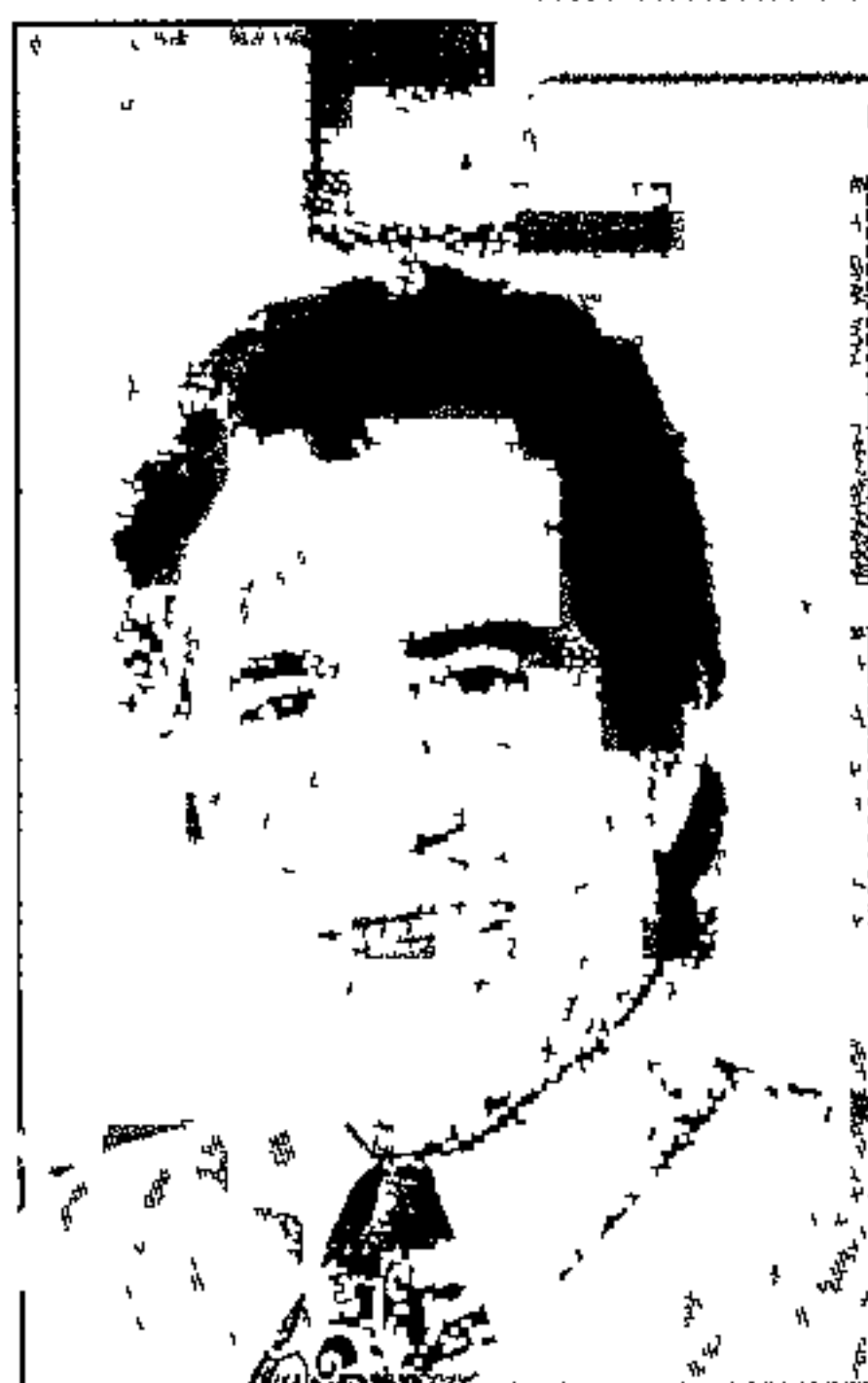
The SABC argues with some justification that it can't provide a proper public broadcasting service in 11 languages on only two channels. Other would-be broadcasters, for their part, are champing at the bit. "To delay any granting of a commercial licence

and extend the SABC monopoly by another two years will be negative for viewers," says Primedia Broadcasting CE Stan Katz. "The SABC will continue to be funded by a range of mechanisms including government subsidy. Much of what it is doing could be provided by the private sector at no cost to the State, the viewer or the RDP. There are



Stations under the hammer
Advertising revenue 12 months to June

Highveld	500
Good Hope FM	15
Jacaranda	15
RPN East Coast	15
Oranje	15
KFM	15
Algoa (inc BRFM)	15
Radio Bop	15
Lotus	15
Capital	15



Katz: the private sector could do it cheaper

consortiums out there prepared to set up a free-to-air TV channel which will be funded by advertising and pay taxes."

The SABC, which derives 75% of its income (R1,6bn this year) from advertising, will certainly become less financially viable if advertising is reduced. The IBA believes it can be viable with its current revenue mix, but says additional services such as education should be paid for out of government grants.

On the subject of cross-media holdings, the IBA demonstrates a scepticism about the power of the market to act as a control on business excesses. After reviewing the practice in other countries (some of which restrict cross-media control, and some of which don't), it gives two reasons why it favours controls in SA:

□ A kind of "infant industry" policy. SA's

immature broadcasting industry, the argument goes, needs to be established and nurtured. But there is no correlation in other countries between the level of control and the maturity of the broadcasting industry. Do the broadcasting industries in countries such as Britain, the US and France, all of which *do* have cross-media controls, have a greater need for parental nurturing and protection than Germany, Belgium, Denmark and others, which *don't*? This is patently absurd. However, says IBA councillor John Matisonn, supportive regulation was used to de-Nazify post-war Germany's infant broadcasting industry, and

□ Market freedom "cannot adequately address the stated priorities of advancing democracy, development and nation building." The IBA declares flatly that direct regulation is necessary to achieve broad participation in ownership (particularly by blacks), a diversity of views, impartial reportage, enhancing cultural identity, educational programming and range of choice.

Local content requirements in broadcasting appear to have played a role in boosting indigenous music and performing arts in many countries, most notably Australia.

Because local programming and recording is more expensive than the imported product, SA performers have long complained that they are deprived of opportunity. However, the real cause of the problem for musicians is the recording industry, not the broadcasters.

The recording industry argues that it is merely responding to public demand. If people want local music, it will be provided. This, musicians respond, is a myth fostered by the record companies because they make more money from imported recordings. The National Association of Broadcasters proposes an inter-industry committee council of broadcasters, musicians, record companies and the general entertainment industry, which the IBA says it is happy to support.

Accordingly, the IBA recommends an initial 20% local content requirement on broadcast music, rising over five years to 55% for public and community broadcasters and 40% for private broadcasters.

But, says National Association of Broadcasters director Daniella Goldman, "this will allow SA musicians to play cover versions of the foreign hits, not generating local music, and stations may have to play anything and everything to get up to 20%. That defeats the object of promoting SA's cultural heritage."

Tony Koenderman

SABC RADIO

Direct channel

(260)
pm 8/9/95
SABC's head of radio, former journalist Govin Reddy, will know soon whether he still controls his department's news programming or has to relinquish it to his editor-in-chief, Barney Mthomboti.

A decision on the proposed SABC corporate restructuring will probably be taken at a strategic workshop this week, attended by CE Zwelakhe Sisulu and members of the board and top management.

If accepted, the proposed restructuring would mean that Mthomboti, like TV news editor-in-chief Jill Chisholm, will have a direct channel to Sisulu. Chisholm's open line is said to have been a condition of her appointment. At radio news, though, Mthomboti reports to Reddy, who, in replacing Radio SA with SAfm, has shown a keen interest in news and actuality programmes.



Chisholm

Sisulu's support for such a move, say insiders, is indicated by his willingness to personally deal with queries on the restructuring.

The proposed restructuring, as envisaged in a special edition of the SABC's in-house magazine *Interkom*, may have further implications. It is unlikely that Sisulu, with his work load, would be able to keep a tight rein on news and this could prompt the appointment of a "super" head of TV and radio news — similar to the time when both departments fell under Kobus Hamman. Chisholm's name is being mentioned.

When *Interkom* published details of the restructuring, three trade unions — the SA Union of Journalists, the Media Workers'

Association of SA and the predominantly white Broadcasting and Media Workers' Union, Bemawu, were asked to comment. Some union members have already expressed reservations about the two powerful news organisations being placed under the control of one person.

But the unions' comments were not published because the restructuring was only in a proposal phase and comment was considered premature. The unions were assured their comments would be published when a decision was finalised. Whether their input then will carry any weight is another matter.

As for Reddy, radio without news and actuality programmes will leave him to oversee only the cultural and music aspects of the medium. And if the Independent Broadcasting Authority's proposal to sell at least six of the commercial radio stations is accepted, Reddy's domain will have shrunk. ■

IBA says local is lekker, radio says overseas is better

THE Independent Broadcasting Authority's proposal to introduce local music quotas on radio stations has the music industry in a state of excitement.

On the surface everyone agrees it's about time South African musicians were promoted properly and that the industry needs to grow. The critical question is how this is going to happen and who will foot the bill.

The main players are circling the issue carefully.

On one side is the record industry — delighted that radio stations will be forced to give South African music at

The power struggle between record companies and radio stations has entered a new round with the proposal of local music quotas, reports GLENDA NEVILL

least a spin. But it also means the industry will have to put its money where its mouth is.

On the other hand are the radio stations who have never been wildly supportive of South African music and are

now being pushed into upping their quotas from three percent (5FM) or 10 percent (Radio Metro) to 20 percent within six months of the IBA's recommendations being adopted.

But this is just the start. The IBA wants national and community radio stations to reach a South African music quota of 55 percent by the year 2000. In this scenario, the record industry and radio have their work cut out.

Mike Oldfield, the managing director of Tusk and chairman of the Association of the South African Music Industry, highlights the dilemma facing the music industry. "We're going to have to produce a lot more music and not all of it will sell just because it's now getting airplay. We're going to have to invest money because we don't want to churn out music just to meet the quotas."

"At present we could meet the 20 percent quota. But the 55 percent quota would be a problem, which is why the IBA has suggested a five-year phasing in period."

Keith Lindsey, the manager of 5FM, does not accept the percentages supplied to the IBA by the South African Music Rights Organisation.

"We play 10 to 17 percent local music, depending on what the record companies supply to us. We can play only what's given to us but we'd prefer to reserve comment at this stage," he says.

While the record industry and radio have a symbiotic relationship, the IBA's recommendations have highlighted the tensions that have always existed.

What all parties agree on is that South African music should be given a chance to develop and that playlists plumped up with local music could give the industry the shot in the arm that it needs.

But they differ on whether local music is up to the international standards listeners expect.

Radio Metro manager Grant Shakoane is concerned that playing "inferior" music could drive listeners away or affect the quality of the station's format.

Until now the record industry has refused to make a long-term investment in local artists because there are no immediate returns. They say they have never had radio support in promoting the material. Radio stations say they

have not been supplied with enough quality material. The easier and cheaper solution for both parties was to fall back on international artists.

Adrian Skarrow, the marketing manager of Virgin records, says the public has always perceived domestic product as inferior.

"There is a hell of a lot of talent out there which hasn't been given the platform to show what it can do. With more investment, the whole package will improve, from production to promotion. And once we produce music of the quality that will stand up internationally, the public will listen, go out and buy it."

At the same time, he points out, we can't "write off" international product because it is the profits made on the Madonnas and Stings of the world which should be diverted into bolstering the domestic market.

Benjy Mudie, the marketing director for Tusk and a maverick who signed bands like The Asylum Kids in the early 80s while the rest of the industry looked askance, welcomes the quota system.

He says it will force executives out of their air-conditioned offices and into the street to find the talent that is undoubtedly lurking there.

"We've got to be able to compete with international product. And unless we're prepared to spend money on long-term and expect to spend money on long-term artist development, we won't. We can't spend a measly R15 000 and expect to release albums of Pearl Jam's quality. But nor can musicians expect R200 000, which is a fortune in South African terms, to do an album," he says.

Carl Eaton, the manager of hot vocal act Devante and vice-director of independent label Cube Music, says the record industry will now have to spend money not just on recording, but on promoting live music. "It's sickening that a Phil Collins tour costs something like R26-million, but we have to quibble to get R50 000 to get a show on the road."

What the IBA has unwittingly done is bring the power struggle between the record industry and local radio out into the open. In between are the artists who could be looking at the biggest break in their lives.

Nyati pay inquiry will also cover provincial parks board

By JUSTIN ARENSTEIN

THE Mpumalanga special commission of inquiry into allegations that private consultant Eugene Nyati was paid up to R15 000 a day to investigate waste and inefficiency in three parastatals was widened this week to include an earlier commission into the province's parks board.

Mpumalanga Premier Matthews Phosa placed a moratorium on the activities of the development corporations and the Mpumalanga Parks Board and sent the staff of the bodies home on Monday, with orders not to speak to the press.

Mr Phosa also declined to release the report of the latest commission before tomorrow, despite commission head Brian Shroobree's arguing for its immediate release.

Mr Shroobree, who is a special adviser to the Premier, was appointed to investigate allegations that Mr Nyati, contracted to restructure three development corporations in the province, was being paid higher-than-usual rates and that tender procedures had not been followed.

The Mpumalanga Parks Board was included in the inquiry because, Mr Phosa said, both Mr Nyati and

(260) fellow commission member Ntsoaki Mohapi had served on the commission which had brought about the creation of the board.

Documentation leaked to the press two weeks ago indicated that Mr Nyati and Ms Mohapi were paid R1,23-million and R342 000 respectively for two months of work on the Kangwane Economic Development Corporation, the Kwandebele Development Corporation and Agriwane.

The documents also indicated that, as interim executive chairman of the Mpumalanga Economic Development Corporation, Mr Nyati had incurred R96 153 travel expenses and had authorised the awarding of a catering contract to a relative of his assistant, without following tender procedures.

Mr Nyati denied he had pocketed the money paid to him, saying some of the funds had been used to contract private-sector consultants.

At a press conference on Monday, Mr Nyati said: "While there is nothing to be ashamed of in the contents of the documents leaked... if I discover anyone (sabotaging the system), I shall use the power vested in me to either ask them to resign or,

ST 10/9/95

alternatively, to fire them."

Constitutional experts have expressed concern at the threat, pointing out that central government is about to table the Open Democracy Bill, designed to protect people who disclose government corruption.

Constitutional experts are also concerned about the precedent set by Mr Phosa's order that civil servants should not speak to the press.

Mr Nyati was interviewed yesterday by a provincial panel of private-sector experts, including Mr Shroobree, for the post of board director of the Mpumalanga Economic Development Corporation.

The name of the new board member will be announced tomorrow.

● The report in last week's Sunday Times on the payments to commissioners appointed by the Mpumalanga government inadvertently attributed a comment to the chairman of the commission, Ntsoaki Mohapi.

The comment: "Frankly, I do not believe any such authorisation letter exists" was, in fact, made by Mpumalanga MEC for Finance Jacques Modipane. The Sunday Times regrets the error.

Angry students 'invade' SABC premises

MEMBERS of the Azanian Students' Convention had invaded the SABC's Auckland Park, Johannesburg, offices on Saturday night to protest about the corporation's lack of coverage of their conference earlier in the day, student spokesman Console Tleane said.

The demonstration ended

more than two-and-a-half hours later after a memorandum detailing their complaints was handed to an SABC representative.

Tleane said the students had demanded that the SABC "stop its bias against black consciousness

could not
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had monitored the situation. The group had not entered the building but had demonstrated outside.

A security officer at the SABC building said about 50 protesters had converged in the television section. Guards had prevented them from proceeding to the studios.

Tleane claimed that the SABC had promised to cover the conference — Sapa



Azanian People's Organisation deputy president Pandelani Nefolovhodwa, left, and black consciousness leader Steve Biko's wife, Ntsiki Biko, lay a wreath in the cell where Biko allegedly died on September 12 1977. Picture NICKY DE BLOIS

Flowers laid in Biko's cell

Nomavenda Mathiane

NTSIKI Biko, widow of black consciousness movement leader Steve Biko, and her sons Samora and Nkosinathi laid wreaths at the Pretoria central prison yesterday, where her husband allegedly died in September 1977.

The wreath laying service, attended by the Biko family, Azapo executive, journalists and Azapo supporters who had been standing outside the prison, took place inside cell number 30 amid a heavy police presence. Because of the smallness of the cell, people had to take it in turns to participate in the ceremony.

Biko refused to lay the wreath on the bed saying there was no bed when her husband was brought into the cell. She put the flowers on the floor.

She said she could not forgive the people who had killed her husband and demanded they be brought to book and charged.

She said the law must take its course "otherwise all the heroes died in vain".

Azapo president Mosibodi Mangena said the cell should become a permanent shrine and called for September 12 to be made a public holiday.

KwaZulu-Natal unlikely to make poll deadline — NP

Farouk Chothia

DURBAN — The NP's KwaZulu-Natal branch doubted that it would be possible to have local government elections in tribal and farming areas of the province by March, regional caucus chairman Tino Volker said at the weekend.

At the end of the NP's two-day provincial congress, Volker said the Durban metropolitan council and local councils would be ready for an election in March. The NP had suggested March 27 as a date.

Volker said it might be necessary to hold the election without the inclusion of tribal and farming areas in local authorities. Elections for regional councils might have to be held after March.

This meant that the deadline central government set for elections would have to be extended again.

It would be difficult to meet the March deadline in these areas as they had no infrastructure.

"It is no use saying that people are entitled to vote, but then there is no infrastructure, no funds and no rate base," Volker

said.

"How are you going to put a market value on a communally owned property?"

Insufficient attention had been paid to a local government system in tribal areas. Negotiations had yet to take place and central government could not impose a system.

Delegates at the congress passed a resolution calling on the Constitutional Assembly to extend provincial powers to include public works, land and water affairs, and to provide for agency and delegated functions.

Constitutional Affairs Minister Roel Meyer said the party stood for the maximum devolution of power, but differences would emerge within its ranks on application of the concept.

SA was moving towards a "pure" federation. NP regions across the country would have different interests, and might find that their positions were at odds. This was a natural and good development found in all decentralised systems.

"We must allow for differentiation according to needs," he said.

Angry students 'invade' SABC premises

MEMBERS of the Azanian Students' Convention had invaded the SABC's Auckland Park, Johannesburg, offices on Saturday night to protest about the corporation's lack of coverage of their conference earlier in the day, student spokesman Console Tleane said.

The demonstration ended

more than two-and-a-half hours later after a memorandum detailing their complaints was handed to an SABC representative.

Tleane said the students had demanded that the SABC "stop its bias against the black consciousness movement".

SABC officials could not be reached for comment.

Police spokesman Capt Willem Weber said police

had monitored the situation. The group had not entered the building but had demonstrated outside.

A security officer at the SABC building said about 50 protesters had converged in the television section. Guards had prevented them from proceeding to the studios.

Tleane claimed that the SABC had promised to cover the conference. — Sapa

Students protest over coverage

■ BY DAISY JONES

A group of disgruntled students took to the streets early yesterday morning to stage a demonstration at the SABC

An estimated 200 members of the Azanian Students' Convention (Azasco), from college, technikun and university

campuses all over the country, converged on the Auckland Park headquarters at 1.30am to hand over a memorandum detailing their grievances

The decision to demonstrate followed the absence of the broadcasting corporation at Azasco's national conference on Saturday.

Azasco spokesman Console Tleane said the

students were embittered by the SABC's generally "distorted" coverage of the movement

Students spent two and a half hours in the darkness, singing and chanting

Police monitored the situation and SABC security prevented about 50 protesters from proceeding to the upstairs TV studios

(260)

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star 11/9/95

Students storm SABC studios

CT 11/9/95 (260)

JOHANNESBURG: Members of the Azanian Student Convention invaded the SABC studios on Saturday to protest against the lack of coverage by the corporation of the organisation's conference. An Azasco spokesman said the protesters had demanded that the SABC "stop its bias against the Black Consciousness Movement"

Sapa

Inquiry clears Nyati of impropriety

Justin Arenstein

NELSPRUIT — Mpumalanga government consultant Eugene Nyati was paid a total of R386 000 for two months' work, or R540 an hour, a special one-man provincial commission of inquiry said yesterday.

The probe cleared Nyati of accusations of financial impropriety, but appointed auditing firm Coopers & Lybrand to investigate two amounts, totalling R778 000, on which insufficient detail was found. Commission chairman Brian Shrobbree said his findings did not amount to much without clarity on these sums of money.

Earlier reports said Nyati had received R1,236m.

Asked how much Nyati had personally received, Shrobbree said Nyati had received R386 000 for 713 hours' work.

Nyati, appointed to restructure the province's development corporations into a single entity, was alleged to have been paid R15 000 a day for his services over a two-month period.

Following media reports on the issue, Mpumalanga premier Mathews Phosa appointed Shrobbree, his special adviser, to investigate the claims and others that Nyati had allowed catering

Continued on Page 2

Inquiry clears Nyati

Continued from Page 1

contracts to be awarded without necessary tender procedures.

Shrobbree announced yesterday that although R1,236m had been paid to Nyati's company, most was channelled on to subcontracted lawyers, auditors and constitutional experts.

"During my inquiry, I found Nyati guilty of no wrongdoing. The commission cost roughly R25 000 a day to run, and while it can be argued that there were too many flights, or that Nyati could have driven a Mazda instead of a C-Class or even that he did not need to buy furniture for the commission, in the real world executives do operate at a certain level," said Shrobbree.

Finding that tender procedures had not been followed in awarding the commission's catering contract, Shrobbree stressed that government had not lost out financially.

"Nyati's assistant Sharon Pillay is directly related to the caterers and she did award the contract to them. But the environment MEC knew of this relation and the worst that can be said is that she was very foolish," said Shrobbree.

"Pillay was of the opinion that as her Minister knows of her parents' position and nothing was done secretly ... it was not her duty to declare her in-

terest. Unhappily, she is wrong and a person of her seniority should have known better."

Possible disciplinary action against Pillay could be taken by environment MEC David Nkhwanazi.

Shrobbree said reports that Nyati had stayed in a R500-a-night hotel were wrong. He had paid R364 a night. All other travel accommodation and helicopter flight expenses, totalling R135 656,18, were justified.

"The one area where we do have to be critical of Nyati is that he never ensured that two cheques for R660 000 and R540 000 were authorised by finance MEC Jacques Modipane."

"If I were him, I would have camped in Mr Modipane's doorway to ensure that the amounts were authorised," said Shrobbree.

Two separate amounts for R399 000 and R379 000 will be investigated by Coopers & Lybrand.

Although an initial tax invoice billing for R399 000 was received by the commission, subsequent inquiries disclosed that the bill should have been only R39 900. No invoice or bill could be found for the amount of R379 000.

Phosa accepted the commission's findings and commended Nyati on "sterling work." He said Nyati was a victim of people within the public service opposed to change.

Nyati cleared of 'impropriety'

CT 12/9/98

(260)

NELSPRUIT: Consultant to the Mpumalanga government Mr Eugene Nyati was cleared yesterday of any financial impropriety by a special one-man commission of inquiry.

However, the commission appointed auditors to further investigate two accounts totalling R778 000 on which insufficient detail was found.

Mr Nyati, appointed to restructure the province's two development corporations into a single entity, was alleged to have been paid R15 000 a day over a two-month period.

After reports surfaced alleging that

Mr Nyati had received R1 236 000 and allowed the awarding of catering tenders without following the proper procedures, Mpumalanga Premier Mr Matthews Phosa ordered a probe by his special adviser Mr Brian Shrosbree.

Mr Shrosbree found the money had been paid to Mr Nyati, but the bulk of it had been channelled to sub-contracted lawyers, auditors and experts.

"I found Mr Nyati guilty of no wrongdoing," Mr Shrosbree said, although aspects of his lifestyle, the number of flights and type of car he drove, could be criticised — Sapa.

BD 13/9/95
**Labour is given
full representation**

Renee Grawitzky

(260)

CAPE TOWN — The Parliamentary Committee on Public Enterprises yesterday approved amendments to the Eskom Act to provide for the restructuring of the Eskom Electricity Council to ensure representation of all stakeholders.

Public Enterprises Minister Stella Sigcau said although the current constitution of the electricity council did not provide for representation by trade unions, it permitted representation by specified organisations. These included the Afrikaanse Handelsinstituut, the SA Chamber of Business and the Steel and Engineering Industries Federation of SA (Seifsa).

The amendments would provide for three representatives from Eskom's management board, three trade union representatives, a Chamber of Mines representative, a Seifsa representative, three representatives from organised business as well as representation from the agricultural and investment sectors. The council would also include representation from the broader community within SA, as well as those who have special knowledge with regard to electricity supply and distribution.

Zambian bank liquidated

(260)
001319/95

LUSAKA — The Zambian central bank said yesterday it had put the troubled Meridien BIAO Bank Zambia (MBBZ) under compulsory liquidation but was talking to a foreign investor interested in purchasing it.

"The main objective of this move (liquidation) is to legally safeguard and protect the bank from chaotic attacks on its assets by claimants after the lapse of the 90-day receivership period," central bank spokesman Kabinga Pande said.

He said Zambia's Liquidation Act protected the bank's assets and the central bank had approved the appointment of KPMG to liquidate MBBZ.

Pande said negotiations with a foreign investor on the sale of the bank were at an advanced stage.

The liquidation follows several months of government efforts to salvage the bank.

Government officials blamed liquidity problems on its dealings with other units of the Meridien global network. The Zambian government said a due diligence report compiled by KPMG Peat Marwick Zambia found evidence of fraud and mismanagement in bank operations. — Reuter.

Pay of R540 an hour was 'barely enough'

Ingrid Salgado

BD 13/9/95

(260)

CONSULTANT to the Mpumalanga government Eugene Nyati said yesterday the R540 an hour he had earned from the province was "peanuts".

He had served as deputy chairman of the inquiry into the restructuring of Mpumalanga's development corporations only because "he was a patriot".

An investigation into alleged excessive payments to Nyati and commission chairman Ntsoaki Mohapi found Nyati had received R386 000 for two months' work and Mohapi R324 000. The probe cleared them of charges of financial irregularities.

Nyati said many consultants were paid more than he had received. He could earn far more in the private sector but had accepted the appointment because "I consider myself a patriotic guy, even if it means making less money." Mohapi said she had earned her money. "You have to consider the kind of work we've done and the quality of that work. It meant giving up other responsibilities to be there full time."

The investigation was called following allegations that they had been paid R15 000 a day.

The investigation, headed by premier Matthews Phosa's special adviser, Brian Schrosbee, found Nyati was not guilty of wrongdoing. But there was insufficient detail on two amounts totalling R778 000 which auditing firm Coopers & Lybrand would investigate.

Comment: Page 12

Provincial govt threatens action to recover money paid to Nyati

NELSPRUIT—The Mpumalanga government has warned that it will be forced to take legal steps against political analyst and government consultant Eugene Nyati unless he returns more than R860 000 to it.

African Eye News reports the amount was a portion of more than R1,38m paid to Nyati from a government budget to lead a commission into the restructuring of the province's development corporations.

Premier Matthews Phosa said that despite claims to the contrary, it ap-

peared Nyati had still not paid any of the subcontractors listed by him as expenses during the probe into alleged mismanagement by the commission.

"The only amount that we can be sure he has paid is R134 000 to (commission chairman Ntsoaki) Mohapi. The rest of the money was earning interest in a bank account. We have therefore requested Nyati to repay our amount, plus R14 885,35 in interest."

Ingrid Salgado reports that Mohapi was employed as a sales trainee at the time of her appointment. She has

reportedly earned R324 000 in total for two months' work on the commission.

Nyati said yesterday he was going to make good on the outstanding payments. The repayment to government followed an agreement between himself and the Mpumalanga government.

Phosa denied this last night but said he believed Nyati had returned more than R600 000 by yesterday.

"I think we have set a precedent for national government on the need to act decisively on these matters," he said.

Phosa also alleged that investigation

had disclosed that accounts totalling R778 000 could possibly be fraudulent.

The accounts, R399 000 of which was submitted by attorney Lucia Cotter and R379 000 of which was submitted by chartered accountant Maurice Alhs, had been forwarded to the auditor-general and receiver of revenue for possible prosecution.

Cotter's account was reduced to R39 000 following "an error" and Alhs's account was being investigated by auditors Coopers & Lybrand.

The Law Society and the Society of

Nyati

(260) (260) (260)

Continued from Page 1

BD 14/9/95

Phosa denied that the measures indicated Nyati for mismanagement, insisting that although the allegations had contained substance, they had to be viewed in context.

However, as a result of the uncertainty surrounding Nyati's financial management of the commission into the restructuring of the corporations, his nomination as permanent chairman of the Mpumalanga Economic Development Corporation had been scrapped and Jabu Mabuza was ap-

pointed instead yesterday.

Nyati would attend his final commission meeting next week.

Meanwhile, head of the investigation into Nyati's alleged mismanagement, Brian Shroobree, said yesterday he believed there was "nothing wrong" with the hourly rates of R540 paid to Nyati for his work on the commission. Normal rates stood at R600 and government rates were 10% lower than these. He had consulted widely on the matter, he said.

Phosa said he thought the rate seemed high and the matter would be investigated. The decision to employ Nyati and Mohapi as consultants was taken by the provincial cabinet. Both were nominated within this procedure.

Continued on Page 2

Accountants had been informed of the possible infringements.

Phosa said that although government was not contesting Nyati or Mohapi's fees for services rendered, there was "a question about Nyati's disbursement of money."

"To be honest, we have asked him to stop paying accounts and to return all moneys due to us. The money returned to us will be used to settle any outstanding accounts, after the certificate is issued."

Nyati told to pay back R864 000

By ROSS HFKBEPT

STAFF WRITER

The uproar surrounding consultant Eugene Nyati was partially resolved yesterday when investigator Brian Shrosbree told Nyati to return R864 000 of R1,23 million he charged the Mpumalanga government for two months of consulting.

But the question remains whether Nyati's R540 an hour fee is outrageous or "peanuts" in the private sector, as Nyati described it.

Nyati acknowledged billing R540 an hour while advising Mpu-

malanga about how to restructure its three development corporations. On the face of it, consultants say, R540 is high but not outrageous.

Although such professions as architects, surveyors and engineers follow a recommended fee schedule to charge the government, there are no firm rules for general management consultancy. Senior legal consultants typically charge R500 to R700 an hour while arbitrating engineers can charge more than R600.

"For a very senior guy with a lot to offer in this field (management consulting) that wouldn't be an out-

rageous fee," said Stephen Asbury, the senior vice-president of Gemini Consulting. "However, it's very different to compare a one-man consultancy with a big international firm which must cover far more physical and staff overheads."

"Management consultants are like celebrities. Margaret Thatcher can pull \$30 000 for one day. Nyati says there are people who make a lot more than he did, but the question is does he have that kind of pull to justify it," said Johan Redelinghuys, of the executive recruiting and evaluation firm Amrop.

ET(BR)14/9/95 (260)

RJR Nabisco poised to buy into Delfoods

CT(OR) 14/9/95

INVESTMENT EDITOR

RJR Nabisco, a major food company based in the United States, could be poised to return to South Africa if negotiations with Anglo American's Del Monte Royal Foods (Delfood) to buy 50 percent of its Royal Beech-Nut subsidiary are successful.

Analysts said yesterday the publication of the cautionary notice — which stated that "negotiations are presently under way which could result in the desired transaction being consummated" — suggested that the talks were close to fruition.

RJR Nabisco sold Royal Beech-Nut in South Africa to Royal Foods in 1989 and Royal Foods bought Del Monte Foods International, formerly a Nabisco subsidiary, in 1992.

RJR Nabisco's food subsidiary, Nabisco Holdings, is the fourth largest food company in the United States. The company earns 70 percent of its \$8 billion revenue from snack food products.

Analysts said it was impossible to calculate what it would cost Nabisco to buy into Royal Beech-Nut as its financial details were not separately disclosed. However, one suggested the acquisition would not make a substantial difference to Delfood in the short term as Royal Beech-Nut was a relatively small part of the business.

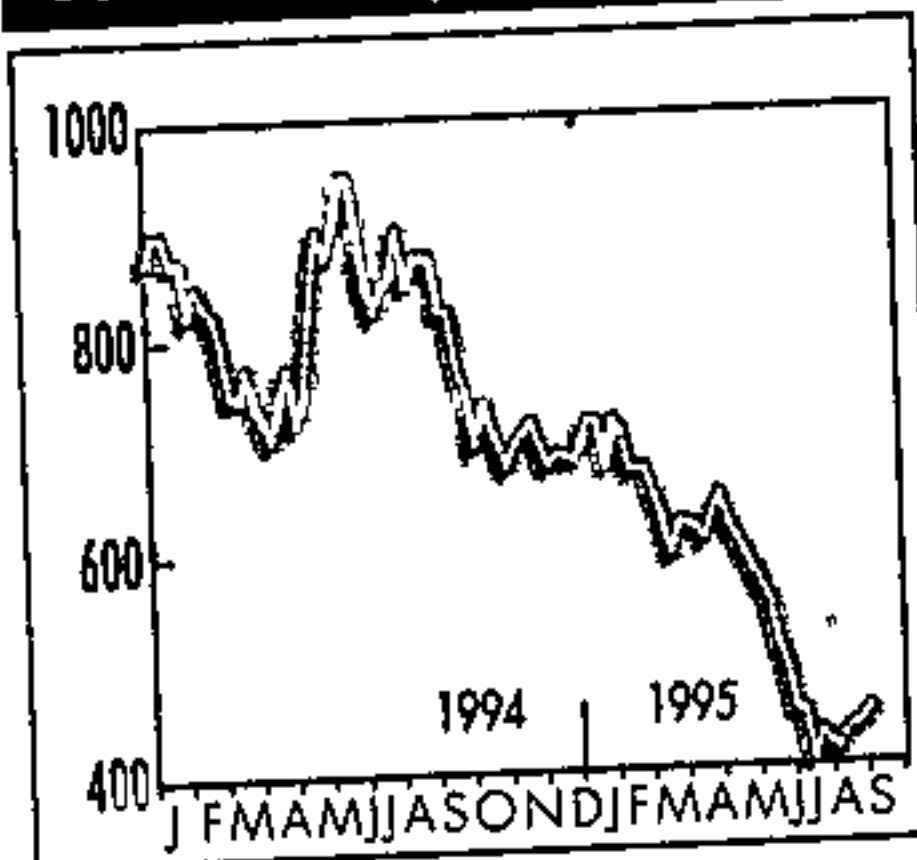
In the longer term, analysts said, the South African company — already the most profitable in the Delfood stable — would benefit from technology, management input and product development.

Delfood's shares have performed poorly over the last year although they received a boost in August-October from renewed rumours that Delfood could acquire Swiss-based Hero.

The shares have since crawled steadily downwards, hit by an only marginal increase in earnings for the year to November and a fall in earnings at the succeeding interim stage. These lows were blamed on the strength of the Kenyan shilling and low pineapple prices.

At 450c this week, Delfood shares are 47 percent below their price at the same time last year and their price-earnings ratio of 8,6 is among the lowest in the food sector.

Delfood share price



Sasol chiefs boost stakes

BY ANDY DUFFY

Sasol's directors lifted their personal stakes in the group by 63 percent in the year to June, boosting the value of their holdings at year-end by more than R3 million.

The shares, detailed in Sasol's latest accounts, also landed the board free shares worth R171 000 at present prices in the recently listed subsidiary, Polfin.

The accounts said at last year's year-end the board held 92 600 shares, worth R2,33 million on the closing price on June 25 last year.

The holding had jumped to 151 086 shares 12 months later, while the share price had hit R35,50 on that date, valuing the shares at R5,36 million.

Under the terms of Polfin's listing in July, Sasol shareholders were given 15 Polfin shares for free for every 100 Sasol shares held.

Johann Stegmann, the chairman, Paul Kruger, the managing director, and André du Toit, the executive director, who sit on Polfin's board, stand to gain from a share-option scheme for Polfin directors.

The group posted attributable income ahead 24,2 percent to R18,6 billion for the year to June.

The performance was underpinned by a strong contribution from its petrochemicals business, including Polfin, in which it now holds 42 percent.

Nyati told to pay back R864 000

BY ROSS HERBERT

STAFF WRITER

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SABC adopts yet another format

260 Sowetan 14/9/95
The board is reportedly outmanoeuvred and adopts a fixed peak time format that favours Afrikaans

By Sharon Chetty

THE SABC BOARD HAS changed its stance on programming and has adopted a format that will give greater preference to Afrikaans.

At a meeting last Wednesday, members voted to have a programme schedule that broadcast in language "blocks" This would mean that prime time viewing – between 6pm and 9pm each day – would be locked into rigid formats based on language

Different language groups

In May the board agreed that the different language groups would be catered for in a more flexible manner It submitted the proposal to the Independent Broadcasting Authority, and technical and other staff started

work on the plan

Now, after four months of work, the idea has been thrown out to give greater airtime for Afrikaans

A source told *Sowetan* the board's previous decision was challenged by the Afrikaans lobby When members met last week, they had expected to merely rubber stamp the May decision

Language blocks

Instead the Afrikaans lobby found fault with the plan and proposed the language blocks because this would ensure a set period for Afrikaans programmes

"The Afrikaans lobby – with support from some English liberals – outnumbered the progressives and the decision was carried," said our source When the board meets again

today, it will have to deal with a lot of anger from within the SABC

Scheduling is at the heart of broadcasting and the new plan will mean everyone will have to start from scratch again The change in plan also means the relaunch of the SABC's three channels may have to be postponed beyond February 1 1996 Added to all this will be the extra cost Critics of the new plan say it forces people to watch according to language rather than content

"The new plan assumes that Zulus will watch a programme in that language because it is on The alternative is to have good comedy or drama in regular slots but in different languages on different days This allows the viewer to choose according to taste and not language," a staff member explained

Air time for Vaal Tech

(260) Star 15/9/95

■ BY MICHAEL SPARKS

The Independent Broadcasting Authority (IBA) yesterday granted a short-term radio licence to the Vaal Triangle Technikon with the specific aim of reducing racial tensions on campus.

"This is an excellent example of the kind of bridges that community radio can build," said Amos Vilakazi, spokesman for the IBA.

For the past three years there has been racial tension at this traditionally Afrikaans-language technikon, which culminated in running clashes between black

and white students in which a number of students were injured earlier this year.

Vilakazi said that a large contingent of both black and white students had attended the application hearing in support of the application.

He added that the station management committee was representative of the student body, both racially and on gender, all of which had assisted the granting of the licence.

The station was granted a licence to start broadcasting today until October 13, with the specific aim of bridging racial tensions.

Broadcast regulators to turn their eyes to the sky

(260) Star 15/9/95

■ BY MICHAEL SPARKS

Just weeks after the Independent Broadcasting Authority (IBA) delivered its report on the regulation of the public broadcaster, it announced yesterday that it planned to hold hearings on the regulation of satellite broadcasting.

The IBA has called for representations from the public in order to both regulate and grant licences to satellite broadcasters, according to a statement.

IBA spokesman Amos Vilakazi said the authority hopes to hold the inquiry next month and would issue the licences thereafter.

However, some satellite transmission companies - such as Asec which is already beaming its signal down by satellite, and Multichoice which plans to start transmitting shortly - could be granted "interim consent" to broadcast until the hearing is completed and licences are granted.

Issues to be considered during the hearing include the possibility of

local content provisions for satellite broadcasters, or perhaps a financial obligation instead; ownership and control of satellite broadcasters; possible restrictions on advertising; codes of conduct for the broadcaster and the advertiser; the payment of licence fees; and possible legislation to control foreign and unlicensed broadcasters.

After the hearings the IBA would call for applications before granting licences.

According to the statement, the IBA Act makes no distinction between the regulation of terrestrial and satellite broadcasters.

The IBA said it felt the regulation of satellite broadcasting was necessary to ensure that "when viewed collectively broadcasting services develop and protect a national and regional identity, culture and character. Unregulated satellite broadcasting could threaten this objective."

Unregulated satellite broadcasting would be unfair to those terrestrial broadcasters which were regulated.

IBA probe on satellite broadcasts

(260) CT15/9/95

JOHANNESBURG: The Independent Broadcasting Authority (IBA) will hold a public inquiry into regulations for satellite broadcasting in South Africa, it said yesterday.

"The IBA believes that satellite broadcasting must be regulated. This will ensure that broadcasting services develop and protect a national and regional identity, culture and character. Unregulated satellite broadcasting could threaten this objective," it said.

"A lack of regulation would be unfair to regulated broadcasters who would compete for revenue and audience share.

Applications

"Such unfair competition could affect the viability of the terrestrial broadcasters which serve a wide audience and provide a broader service."

Prospective satellite broadcasters would be invited to apply for private TV licences and the applications would be gazetted for comment, before public hearings on each of them.

The IBA said pending the outcome of its inquiry it would consider granting "interim consent" to prospective satellite broadcasters, but if they were not granted licences later they would have to get off the air.

Some of the issues to be considered include codes of conduct for broadcasters, advertising standards, local content regulations, licence fees, technical standards, ownership and control of satellite broadcasters and laws concerning foreign and unlicensed broadcasters — Reuter

Lobbying expected over TV licences

The IBA has made its report: now the lobbying begins, reports **Neil Bierbaum**

FIERCE lobbying is expected in response to the Independent Broadcasting Authority's report on television. Prospective commercial broadcasters want the licensing of a commercial television channel to happen sooner, while the SABC will lobby to retain its third channel. But

even if prospective commercial broadcasters are successful, practical considerations make it unlikely that another terrestrial TV channel would be operational before the second half of 1996.

The IBA has proposed that a commercial TV channel be licensed to broadcast from the beginning of

1998, at which stage it recommends that the SABC should give up its third channel.

"Nobody has the power to change [our] decision," says IBA councillor William Lane. "The IBA has the final say over licensing. It would be a novel situation if Parliament were to direct us to issue the licence any sooner."

In his opinion Parliament can comment on the funding and viability of the public broadcaster and on cross-media ownership, but not on the

licensing issue. Nevertheless the parliamentary select committee on communications is expected to call for written submissions to be handed in by October 15 1995. Thereafter the committee will call for oral submissions. "We are not reopening the IBA Inquiry," says chairperson Saki Macozoma. "We will allow the public to comment and make proposals on the recommendations of the IBA."

It is expected that these submis-

sions will call for the earlier licensing of a commercial TV channel.

William Kirsh, managing director of Primedia Limited, says that "as a major commercial broadcaster in South Africa we will try to influence the regulators in terms of what we think is best for the industry."

According to Peter Matlara, strategic planner for Primedia Broadcast-

ing, "The public will voice its opinion

And now the lobbying starts

WIM(3M) 15-21/9/95 (260)

From PAGE B7

on the extent to which the IBA has addressed the public interest. If Parliament is to fund the public broadcaster, it must agree with what it is to fund, and it must decide whether the industry could support another channel."

Macozoma concurs. "It is debatable whether the IBA can disregard the views of Parliament that are consistent with the provisions of the IBA and the Constitution. The IBA exercises its authority within the parameters set by Parliament," he says.

The granting of a private TV licence will be affected by the fact that the SABC is to lobby to retain its three channels. The IBA report recommended that the third channel be relinquished at the end of 1997 to a private broadcaster. According to chief operating officer at the SABC, Gert Claassen, the SABC will argue that the SABC needs the third channel to adequately fulfil its public service mandate. But it is unlikely that the IBA will capitulate. It will have to license a private channel and, as Lane says, "In our view it is dubious

whether a fourth channel would be viable. At most we could give the SABC one more year." In this case there would be a one-year overlap between the third channel and the commercial channel.

If the third SABC channel was allowed to continue broadcasting while a new licensee came on air, the signal distributor would have to install a new network. This would have significant cost implications and, if Sentech was chosen as the signal distributor for the new channel, it would be left with a spare network capacity if the SABC channel was closed down. This would not make economic sense. Setting up the new network would also take a number of months and would further delay the time between the granting of a licence and the ability of the channel to broadcast.

Another factor affecting the timing of the licensing will be the parliamentary process. "The IBA can [only] grant a commercial licence after Parliament has considered and made its pronouncement on the triple inquiry report," says Macozoma. New legislation may also be necessary.

To PAGE B9

Local content quotas designed to boost television industry

(260) um(em) 15-219195

Local-content rules will help the industry, writes IBA chair **Peter de Klerk** in a response to the M&G

THE new local-content rules for television are designed to build a South African TV-programme-making industry — so that South Africans can see and hear themselves on our TV screens, and to create jobs in a key industry of the 21st century. The Independent Broadcasting Authority thanks they will

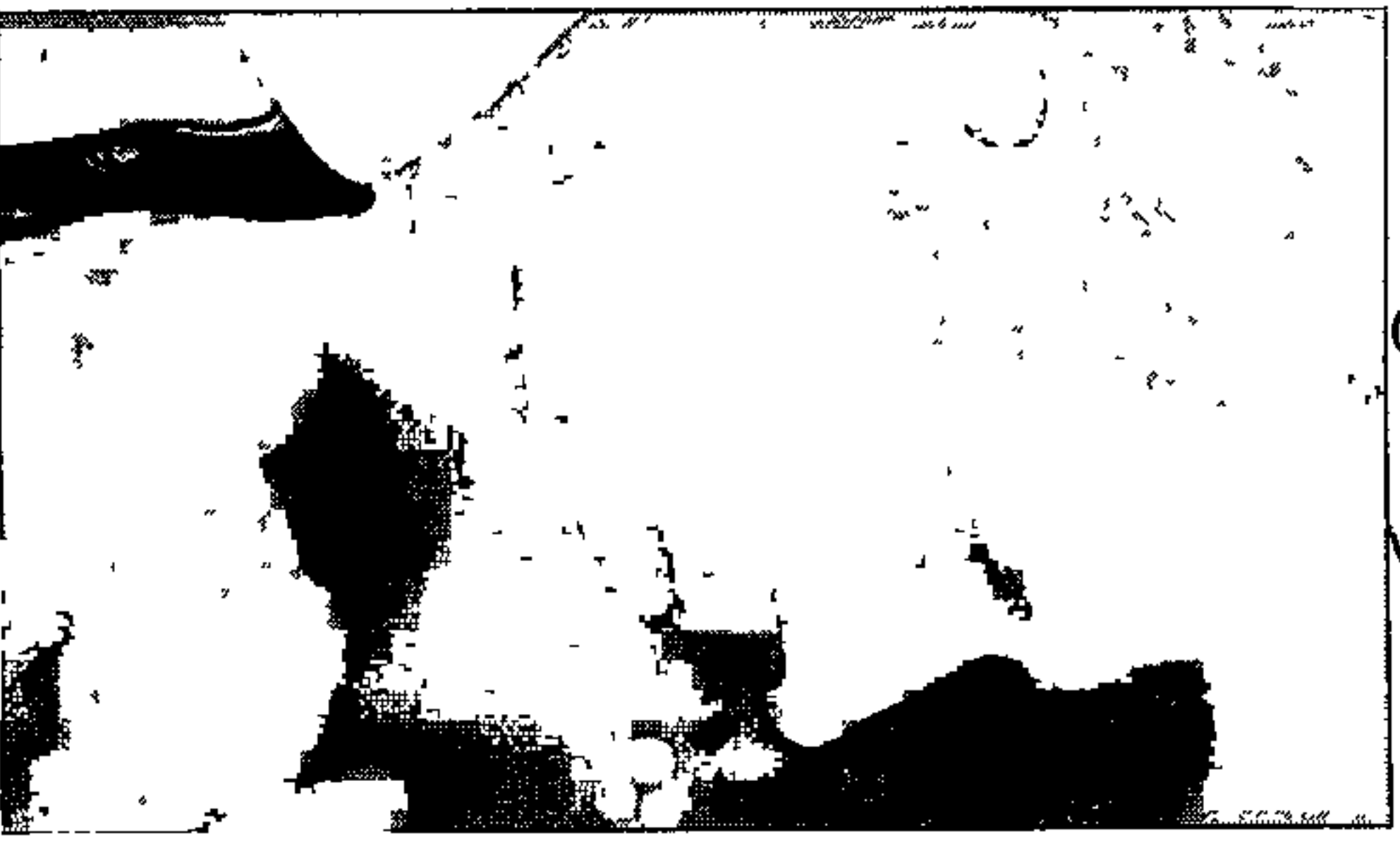
The IBA's report directly addresses the M&G's concern (editorial, September 1 to 7 1995) to avoid the possibility that "the broadcaster can do the cheapest and nastiest local programming locally, and save their expenditure for international material"

The local-content rules address this by opting for quality, not just quantity. In setting these rules, the IBA adopted principles that have worked successfully in Britain and elsewhere.

It is done first by setting a minimum of 30 percent on all television channels between 5am and 11pm. The public broadcaster's overall quota will be 50 percent with the same minimum of 30 percent on any one channel. This is to ensure that it does not exploit one channel in unfair competition with private stations.

The IBA will measure only the 18 hours between 5am and 11pm, so broadcasters will not be able to fulfil their quotas in the middle of the night when no one is watching.

Some of the quotas set by the IBA will seem lower than were requested by South African producers. Some wanted 60 percent quotas across the



Peter de Klerk: IBA 'encourages' rather than compels quotas

board. The SABC suggested that it do 60 percent but that was not based on an 18-hour day. The IBA set 50 percent of an 18-hour day.

Several regulatory principles were used to focus broadcasters on programme range and quality rather than just quantity.

First, the IBA decided that the quotas will apply in prime time as well as off-peak. This means that all broadcasters, including M-Net in its open time, will compete with one another to provide the best local programming for at least 30 percent of the time. It is reasonable to assume they will want to put the money necessary into this programming because they will be competing for significant advertising revenue.

Second, the IBA has set quotas for specific programme categories: Drama, documentary, current affairs, children's and education are all of public interest. Local programmes in these genres are very popular and highly appreciated. But broadcasters tend not to make them because they are more expensive than foreign ones. The IBA has set targets for each of these categories.

In determining quotas for the individual categories, costs were taken into account. 9,2 percent of the drama that the SABC currently airs is local content. The IBA is requiring that this rise to 20 percent. Private stations will be expected to achieve 15 percent in the drama category. Drama is one of the most expensive categories of programming and we are keen to see it rise so that a range of South African languages, cultures and life experiences can be represented and so the local production industry can really be boosted.

In educational broadcasting, the SABC currently says it does 100 percent locally. There was some dispute about that figure. The IBA decided to ask for 60 percent in future. We would rather see slightly less locally produced educational programming but see a real improvement in the quality of that programming. Besides, there is a lot of high quality foreign educational programming from which South Africans could benefit.

Independent production quotas will encourage diversity. They will create opportunities for people to enter the industry and to get their voices heard. Contrary to some reports, these quotas will also be set by programme category and represent a significant rise in the amount of independent production that is being commissioned now.

The IBA's change in the SABC def-

LOCAL CONTENT NOW

Station	As estimated by SABC	As estimated by the South African Music Rights Organisation
Radio Zulu	66 percent	44,67 percent
Radio Metro	16 percent	5,08 percent
Radio Xhosa	NA	22,4 percent
Radio Sesotho	73 percent	36,27 percent
Radio Lebowa	65 percent	32,28 percent
Seiswana Stereo	55 percent	18,58 percent
Radio Transkei	NA	17,94 percent
Afrikaans Stereo	30 percent	31,48 percent
SFM	NA	3,05 percent
Radio Mmabatho	NA	11,09 percent
Radio Tsonga	75 percent	42,71 percent
Radio South Africa	16 percent	5,61 percent
Radio Swazi	55 percent	35,02 percent
Good Hope Stereo	11 percent	3,29 percent
Radio 702	NA	NA
Jacaranda Stereo	20 percent	15,95 percent
Radio Ndebele	40 percent	32,87 percent
Radio Bop	NA	5,14 percent
Highveld Stereo	12 percent	3,72 percent
Radio Thohoyandou	NA	NA
RPN Stereo	7 percent	2,47 percent
Radio Lotus	2,1 percent	0,25 percent
Radio Ciskei	NA	8,71 percent
Orange Goudveld	13 percent	17,15 percent
KFM	12 percent	NA
Radio Algoa	10 percent	4,06 percent

Based on figures supplied to the IBA during its inquiry

inition of an independent producer will also have the effect of increasing the amount of independent production. The IBA will require that 40 percent of all local content must be commissioned to producers who are entirely independent of the broadcasters.

The IBA considered how to ensure that people from historically disadvantaged backgrounds come into the field. Legal advice indicated that compelling such a quota would be a problem. For that reason, the language used was "encourage".

The report has outlined numerous mechanisms for avoiding cheap and nasty "quota quickies" and for ensuring diversity in programming. If these

don't work, the broadcasters know the IBA has the option to review the system and add more regulations. We think the broadcasters realise it's in their best interests to do it right the first time, to keep the regulator from a return bout.

Evidence before the inquiry was that local programming is more popular. It was also clearly the best protection for local television against encroaching satellite and other broadcasters. Evidence was also that they need some pressure from the regulator because the costs are immediate, the rewards take longer. This is an opportunity for broadcasters and producers. Let the programme-making begin.

SABC

Early warnings

(260) FM 15/9/95

Unless its financial position turns round dramatically, the SABC could face bankruptcy in 1996. Early budget proposals show that the corporation is heading for a R250m deficit in its next financial year.

And, to aggravate the situation, SABC financial chief Steve Schubach has resigned. Schubach, who will leave the SABC at the end of December, met CE Zwelakhe Sisulu on Friday to finalise the conditions of his resignation.

Schubach's resignation comes days after it was learnt that he probably saved the SABC more than R1m in the African Bank crash. At his instruction the SABC withdrew a R1m fixed deposit from the beleaguered bank when it came up for renewal three months ago.

Schubach's resignation leaves group executive members Gert Claassen and Neel Smuts as the only survivors of the previous management structure under former CE Wynand Harmse.

Smuts's future is also uncertain as a result of the Independent Broadcasting Authority (IBA) report, which proposes that the SABC hand its profitable signal distributing arm, Sentech, headed by Smuts, to government.

Schubach, who joined the SABC in 1991, says: "This is basically an amicable parting of ways." However, colleagues close to him say he has virtually been sidelined since the transition period and played no role during the IBA hearings.

Differences between him and former general resources manager Pierre van der Hoven over the structuring of the SABC's finances have also kept Schubach out in the cold.

Van der Hoven prepared the figures which were presented to the IBA and which proposed a 15% government funding of the SABC's income requirement.

The envisaged amount, R235m, did not include the R148m required for educational programmes. Van der Hoven and former Television CE Quintin Green, who resigned suddenly last year, apparently clashed over the SABC's financial operations.

According to the Van der Hoven propos-

als, which were eventually accepted by the SABC, advertising revenue would be R782m (as opposed to R1,15bn this year); licence fees R391m (R310m for 1993-1994), State funding R235m (nil presently) and "other" revenue R157m (R105m).

In his analysis of Green's proposals Schubach warned that "no education programmes will be broadcast if government does not fund them in full," and that a reduction in sports programmes, possibly affecting the Olympic Games, could negatively affect the SABC's image.

In a confidential memorandum to Sisulu, Van der Hoven criticised Schubach's analysis and said Green's document is based on "unexplainable assumptions and questionable calculations."

Schubach's colleagues say that he does not fit into the direction in which the SABC is moving. He is business-orientated and opposes the corporation's move from being a commercial organisation to a public-service broadcaster with a greater reliance on government for funding. His imminent move is no surprise to many.

Since Van der Hoven's departure Sisulu has mostly confided in his new resources manager, Talib Sadik, who was an accountant in Green's department.

Schubach says he will give the SABC his best until the end of December. "There will be no sloppiness in my department. I owe it to Mr Sisulu, the SABC, my colleagues and the auditors."

While he won't divulge

any financial secrets, he agrees, when pressed, that the SABC's preliminary budget figures look bleak.

"What we have on the table is unacceptable and it will have to change dramatically. However, we are in the early stages of the budget and are still dealing with very rough estimates." He admits it is the worst preliminary budget since he joined the organisation. The latest results, which apparently are reasonably good, will be announced in February.

Schubach's replacement has not been named, though a senior accountant at Deloitte & Touche has been approached but

has not accepted the offer.

Sisulu could not be reached for comment as he is abroad.

Eddie Botha

LOCAL GOVERNMENT

Bitter victory

The Supreme Court in Johannesburg has handed down a ruling of seminal importance to the way in which municipal councils across SA conduct themselves after the November 1 local government elections.

In a 40-minute ruling last Friday, Mr Justice Rex van Schalkwyk delivered a scathing rebuke to leading parties and individuals of the Johannesburg transitional metropolitan council (TMC).

By their "profligacy, irresponsibility (and) high degree of obduracy" in defending an illegitimate cause, he said, the city fathers betrayed the public trust and saddled ratepayers with considerable legal costs. These are independently estimated to exceed R1m — mostly from their own legal counsel and the costs of hiring expert opinion (which was never used).

But the legal victory fails to conceal a bitter irony. For the main protagonists in this shameful bid to subvert democratic government in Johannesburg (they are named further on) will almost certainly be returned to metro government after the elections, as they are riding high on the ANC and NP party lists.

Meanwhile, the only metro councillor with the guts and tenacity to expose their duplicity — DP candidate Frances Kendall — has been consigned to a relatively low party listing (5th), which is unlikely to bring her back to the metropolitan council where she belongs.

Her only reward from the DP is a relatively safe seat in the Eastern metropolitan substructure: the Hyde Park/Parkmore ward. Could it be that the DP — which likes to present itself as "the party of principle" — is deliberately punishing Kendall for exposing its sorry part in the executive committee fiasco? She was not, after all, a DP member at the time of launching her action.

Kendall turned to the court after leading members of the newly appointed Johannesburg TMC ignored her protests at the procedure used to elect the council's 16-member executive committee (metropolitan "cabinet") at its first meeting on December 7 last year.

Kendall argued (rightly, according to the



Schubach... budget figures look bleak

COMPUTER BOFFIN ARRESTED

Clamp on M-Net pirates

C.T.

18/9/95

(260)

POLICE have confiscated a number of decoders fitted with chips that give free access to the pay channel. **DALE GRANGER** reports.

POLICE believe they have broken an M-Net decoder racket, following the arrest last week of a Lakeside computer expert and the confiscation in a number of homes of decoders containing a microchip that allows free viewing of the pay channel.

Police spokesman Captain Wicus Holtzhausen said that on Wednesday police swooped on the home of a Mr Chin, a technician at Plessey Tellumat SA, who appeared in the Muizenberg Magistrate's Court on Thursday and was released on R2 000 bail.

The case was postponed to Wednesday, when up to 26 former M-Net subscribers, some of whom cancelled their pay channel service several months ago, are expected to appear either as co-accused or to give evidence for the state.

Captain Holtzhausen said people had allegedly paid R250 to have a microchip that prevents people who haven't paid their R83 a month from receiving the M-Net signal replaced with a chip programmed to over-ride the encryption.

Expert

An expert on decoder piracy from Multichoice, the M-Net service provider, will be flown from Johannesburg to attend the trial as an expert witness.

Police believe decoder piracy is rife in the Peninsula and that experts have already begun starting to look at means of breaking the code for the new 17 international channels that will be launched on satellite by Multichoice next month.

However, Mr Graham Ellis, general manager of Multichoice,

said last night it was absurd for anyone to assume they could break the code, as the new digital encryption technology was still under development at Multichoice and had not yet been released to the market.

He said piracy was part of pay television throughout the world but was not as severe in South Africa as in Europe and the US, where up to 20% of revenues were lost through it.

"We probably have more knowledge of piracy than people think we have. We are constantly monitoring the situation, looking at decoders that are stolen and which boxes could be pirated," he said.

He said the arrest was "the closing scene of a lengthy investigation."

"Breaking the security code had entailed sophisticated software."

Warning

Although there was no way to stamp out piracy completely, efforts were made to "keep a finger on the pulse" and educate people that it was illegal.

There were also instances where people connected through a feed to a neighbour, and in these instances the company liked to give a "friendly warning" to people to disconnect the devices or face prosecution.

"One must realise most people do not want to be classified as criminals," he said.

"They will attempt to pirate until they realise it is a criminal offence and then quickly change back to legal subscriptions," he said.

"The message we have to people is that this is something very difficult for anybody to carry out in the long-term without detection."

"We have very good records of who switches off so people must be careful not to do something in the short-term which might seem sensible to them but in the long-term will land them in trouble."

ENTERTAINMENT

SABC's Reddy cleared of racism

By Elliot Makhaya
Entertainment Editor

(260) *sowetan* 18/9/95
Callers had accused radioman of being 'pompous and patronising'

A COMPLAINT THAT GOVIN Reddy of the SABC made a racialistic statement to a caller on *Microphone-in* earlier this year was adjudicated in favour of the SABC by a member of the Broadcasting Complaints Commission of South Africa.

The caller criticised Govin Reddy for having replaced Radio South Africa by SAfm and that thereby he had discriminated against English-speaking South Africans.

During the conversation the callers accused Reddy of being pompous and patronising in that "anybody who does not agree with you is in the wrong". Reddy responded that she should not be lecturing him on being "pompous and patronising". He said that he had been a victim of apartheid from white South Africa for most of his life where he had experienced a patronising style.

The BCCSA held that Reddy's answer was not racialistic at all. He was merely denying that he had been pompous and patronising, the BCCSA ruled. It said that he contrasted his own approach with that of apartheid South Africa where, in his opinion, this was



Complaint against Govin Reddy dismissed.

the approach. This observations, says, BCCSA, was in no way directed at the caller, but was stated as an opinion in answering the allegation of discrimination, neither did his answer reflect on the race of the caller. The appeal was dismissed because the BCCSA believed that there was no contravention of the code.

‘The appeal was dismissed because the BCCSA believed there was no contravention of the code’

A viewer complained about the screening of scenes of lesbians during *The Works* on NNTV. A panel of the BCCSA held that the scenes were not presented in an indecent manner.

The Constitution of the Republic guarantees that there shall be no discrimination against individuals as a result of sexual orientation. The subject of lesbianism is therefore not forbidden and material should be subject to the same set of rules as in the case of heterosexual sex. The late evening time-slot was also of significance. A warning was not necessary in this case.

The report of the Independent Broadcasting Authority released last month holds a number of implications for the SABC. **Michael Sparks** spoke to **Zwelakhe Sisulu** about forthcoming changes at the public broadcaster.

SABC may sell radio stations

(260) Star 19/9/95

The Independent Broadcasting Authority (IBA) proposed a number of substantial changes for the SABC in the report released at the end of August. These included the sale of 10 regional radio stations and the proposal that the corporation lose one of its television channels in 1998, which could be replaced by a satellite channel.

Despite this, the corporation's head **Zwelakhe Sisulu** said that on the whole he was very pleased with the report and regarded it as "very fair".

"It has given us much greater clarity on what will be expected of us as the public broadcaster. Now we can start to make real decisions about what we are going to do," he said.

There are aspects of the report which he is unhappy with—such as losing the television channel and two of the radio stations (Radio Lotus and Radio Good Hope, which he believes are necessary for the corporation to fulfil its public service mandate) and he has already started to lobby hard to prevent these proposals from being implemented.

He wants to keep the three channels and hopes that the IBA will grant a licence to a new television station as early as next year, rather than in 1998 as proposed in the report. This would enable the corporation to fulfil its mandate of broadcasting in all 11 official languages.

And no grass has been allowed to grow under his feet since the report came out. He has had various merchant banks put forward estimates appraising the radio stations which are to be sold.

According to **Sisulu's** special assistant, **Leshe Ximwa**, the bank should be able to provide a value for the radio stations in about a month, enabling agreements to be reached within five months. This should mean that the stations could actually begin broadcasting under the auspices of their new owners early in the new year.

Sisulu said, "We hope these stations will represent the first wave of new broadcasting players. We would obviously want to sell the stations sooner, rather than later," he said.

Once the new stations were broadcasting, the value of existing stations could start to drop when faced with the new competition. But **Sisulu** believes established brand names will give buyers a competitive edge over others, and a number of interested groups has already approached the SABC.

The IBA report also called for substantial local content for the

public broadcaster: 55% local music by the year 2000 on music radio stations and 50% within three years for television, with 40% of programming created by independent producers.

"The local content levels are realistic in the sense that we can attain them with the programming. But we will have to see

whether we can afford them," he said, adding that funding of the corporation would be under regular review.

The local content provisions, along with the need to employ about 80 more journalists in the near future to cater for the half-hour of regional news

that will be broadcast daily, have real financial implications for the corporation, but **Sisulu** is upbeat about coping.

"In a sense we have now been unshackled, because the report said we should continue with our funding in the same way as we have in the past. But we will be getting additional money from central government for educational programming and the regional splits," **Sisulu** said.

Additional money could also come from giving international broadcasters their own windows on the SABC to broadcast their

programming.

He said this was likely to give South African viewers access to new programming such as the music channel M-TV and the American movie channel HBO.

Plans were also being formulated for a partnership with the British Broadcasting Corporation (BBC), including the broadcasting of their World Service news, which could be seen on local TV screens as early as November.

A team from the BBC is currently here discussing educational programming for the SABC, and they will also play a role in training middle and senior management at their headquarters in London.

Sisulu will have been at the helm of the public broadcaster for a year in October, and is very frank about the changes.

Referring to some recent high profile departures, **Sisulu** said that he was amazed that "employees are regarded as mediocre by the print media while they work here, but are referred to as major talents when they leave".

But overall **Sisulu** said he was very pleased with the direction the corporation was taking and relieved that the IBA report meant the corporation now had greater clarity on its future.

"We have been through a phase of great turbulence in the past year, but I am convinced we are heading for calmer waters now," he said.

TUESDAY
SEPTEMBER 19, 1995 ★

BRIEFS

SABC to fight privatisation bid

(260) (282)
THE SABC board is to fight the proposed privatisation of Good Hope Stereo, its newsletter, Weekly Update, says

It said the board accepted the Independent Broadcasting Authority's recommendation that some commercial stations be privatised, but believed Radio Lotus and Good Hope Stereo should remain in the public service domain

CT 19/9/95

Durbanite joins Olympic bid

DURBAN: The corporate communications manager for the Greater Durban Marketing Authority, Miss Jackie Taylor, has been appointed marketing manager for Cape Town's Olympic bid

Another Durbanite, Mr Robbie Stewart, joined the bid team earlier this year

Mercury wins two awards

aken her end it all, she said.

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Submissions invited on IBA's broadcast policy

Tim Cohen

CAPE TOWN — The parliamentary communications committee has invited submissions on the IBA's "triple inquiry" into broadcast policy and SABC restructuring, but has warned that it does not intend reopening the inquiry.

Committee chairman Saki Macozoma said yesterday because the inquiry would not be reopened, the committee would only entertain submissions on the viability of public broadcasting and cross-media ownership.

This means the inquiry will not discuss the controversial local content recommendations, which fall within the IBA's jurisdiction.

On SABC restructuring, Telecommunications Minister Pallo Jor-

dan has already indicated he disapproves of the IBA's recommendation that the SABC should lose a channel.

Jordan has also disagreed with the recommendation that there may be a delay in the introduction of a private terrestrial channel.

Macozoma said the communications committee had decided that the committee would hold public hearings from November 6 to 10 and compile a report to be tabled in Parliament for its consideration.

Macozoma said the proceedings were urgent, as the restructuring of the broadcasting industry could not go any further until the report had been considered by Parliament.

IDC board moved closer to government

(260) BD 20/9/95
John Dlodlu

TRADE and Industry Minister Trevor Manuel has reshuffled the board of the Industrial Development Corporation to make the parastatal more racially representative and gender-sensitive.

The shake-up, which has been approved by the Cabinet, is regarded as the start of the IDC's restructuring. A new feature of the board is the appointment of senior government officials, bringing the IDC closer to government.

In terms of an announcement, four

old members of the formerly nine-member board were dropped and 10 new appointments made. These were drawn from the ranks of government, academia and the private sector.

The five who survived the gentle axe are chairman Christo Wiese, MD Carel van der Merwe, directors Derek Cooper of CG Smith, GT Ferreira of Rand Merchant Bank and the SAB's Meyer Kahn. They will be joined by National Black Business Caucus executive di-

Continued on Page 2

IDC

(260)

BD 20/9/95

Continued from Page 1

rector Danisa Baloyi, Durban-based businessman and ANC investment adviser Don Mkhwanazi, Sankorp CEO Dave Brink, trade and industry chief director for industry and technology strategy Alan Hirsch, the labour ministry's special adviser David Lewis, consultant Nana Magomola, Rainbow TV director Frank Molobi, Deputy President Thabo Mbeki's economic adviser Moss Ngoasheng, trade and industry director-general Zavareh Rustomjee and academic Sam Zondi.

Manuel's special adviser Paul Jourdan said yesterday the new board would decide whether to have an SABC-style transformation process — a procedure also followed at the Development Bank of Southern Africa. However, Manuel would not undermine the board by dictating how the refocusing of the parastatal should occur.

Those axed were Lawrence McCrys-

tal, HJ Terreblanche, AP Scholtz and Chris van Wyk. Industry sources believed the involvement of senior government officials on the board — such as Rustomjee, Hirsch and Lewis — would ensure government did not lose control of an institution in which public funds were involved, a complaint frequently voiced on the Small Business Development Corporation.

New members had been appointed after consultations with key IDC stakeholders such as the Graduate Staff Forum — a loose formation representing staff members of all races. The criteria used in selecting the members from "more than 100 names" to a short list of 40 included a point system, gauging the candidates' constituency, involvement in the small business sector, race, gender and industrial strategy expertise, Jourdan said.

Manuel had sought to draw expertise, achieve continuity in the board's direction and ensure racial and gender representivity.

"I think the Cabinet's choice is wise, and achieves all these criteria."

Unions protest over Telkom privatisation

~~(260)~~ ~~(260)~~ (260)
STAFF REPORTER

CT 20/9/95

AT least 3 000 postal and telecommunications workers marched in protest on Telkom's offices in the city yesterday to voice their objections to its privatisation plans

They fear it will lead to retrenchments for many of those who work in support services, rather than directly in postal or telephone services

Mr John Jacobs, regional chairperson of the Postal and Telecommunication Workers' Association, one of the unions involved, said Telkom wanted to privatise its "non-core functions" such as its 42 restaurants, its security, its transport, its workshops and its construction services.

"We are negotiating about restructuring the company. We have agreed on phases one to five, but this privatisation is in phases six and seven. Telkom wants to form companies and then sell them off. Telkom says phases six and seven are not negotiable — to us that means there will be retrenchments," he said.

A spokeswoman from Telkom denied that the organisation had said phases six and seven were not negotiable. She said several meetings had been held to discuss the "restructuring of support services"

Heads of new TV channels appointed

SABC chief Zwelakhe Sisulu yesterday announced the appointment of former CCV head and acting GM of television Madala Mphahlele as GM for Africa.

The position was created to promote the SABC's policy and commercial interests in the rest of Africa.

"In view of SA's historic isolation from Africa, the development of effective relationships to promote the SABC's interests is deemed of extreme importance," Sisulu said in a statement.

Sisulu also announced the appointment of the new heads of the three television channels — ahead of the official launch next February of the new format for the SABC's three TV channels.

The appointments of Molefe Mokgatle as head of Channel One, Tanninga Msimango as acting head of Channel Two and Louis Raubenheimer as head of Channel Three take immediate effect.

Sisulu said that from February next year TV1 would become known as Channel Two, CCV would be known as Channel One and NNTV would become known as Channel Three. — Sapa.

(260) BD 21/9/95

'Cultural renaissance' as 14 new stations go on air

CT 21/9/95

(260)

THANDEKA GOUBULE

FOURTEEN new radio stations on the airwaves of the Western Cape will revitalise the entire media industry — ranging from advertising to the print media and television.

"We will witness a cultural renaissance, no less," said Independent Broadcast Authority councillor Ms Lyndall Shope-Mafole. "These stations will improve communication infrastructure in the communities and stimulate economic life as local advertisers jump in

"There will be more debate, more journalistic skills, as many get trained and try their hand, and this will stimulate competition so we hope to see radio journalism at its best."

The advertising industry is also likely to be affected, says the IBA.

Although radio advertising is the least regarded by the advertising industry, this is likely to change as local advertisers push products through the various community stations.

The newspaper industry is also likely to be affected and local newspapers have already responded

Competition

The Argus has launched a regular column on local radio airwaves, and Cape Newspapers are sponsoring the serialisation of President Nelson Mandela's award-winning autobiography, *A Long Walk to Freedom*, on Radio Cape Flats

Television is also likely to face competition for the attention of audiences, as some of these stations build up a growing following. The Independent Broadcasting

Authority has licensed the following new radio stations in the Western Cape: Radio Cape Flats on 89,5FM, Radio Helderberg on 95,9FM, Bush Radio on 89,5FM, Fine Music Radio 101,3 FM, Radio Matie 92,6FM, Radio Fish Hoek (CCFM) 92,6FM, Radio Atlantis 107,9FM, Radio Namaqualand 93,9FM, Radio Zibonele 98,2FM, Radio Tuinroete 90,1FM, Radio Tygerberg 104FM, Radio 786 100,4FM, Radio UCT 104,5FM, Voice of the Cape 95,8FM or 100,4FM.

Ms Shope-Mafole said there were two types of community radio stations, some being geographic communities and others defined by a common interest.

"The IBA aims to encourage and ensure that a multiplicity of voices from diverse sectors of South Africa's cultural landscape will be heard on our radios."

Urgency over IBA proposals

(260)

POLITICAL STAFF

CT 21/9/95

The far-reaching restructuring of TV and radio proposed by the Independent Broadcasting Authority would be assessed by the National Assembly's Portfolio Committee on Communications as a matter of urgency, its champion Mr. Saki Macdonald said.

The committee had agreed, however, that as a matter of principle it could not reopen the IBA inquiry.

Therefore, submissions written and oral will be entertained only on the recommendations of the IBA on the viability of public broadcasting and on cross-media ownership.

All parties could seek clarification from the IBA.

The IDT has more to offer than a murky past

WHATEVER criticism is levelled at the Independent Development Trust (IDT) for being a progeny of apartheid, the organisation has made inroads into reducing poverty. The IDT's five-year review, released this week, shows the organisation has managed to forge for itself a certain amount of operational space to implement its programmes in an often hostile political environment, and has done critical ground-work in many areas.

The legitimacy of the IDT as a development vehicle remains in question, largely because it was set up by an illegitimate government. But examination of its board of trustees, which is responsible for the formulation of policy and procedures as well as the deployment of the IDT's funds, shows the organisation has entered a new era.

Board chairman Mamphele Ramphele is known for her opposition to apartheid and her work in development, while CEO Merlyn Mehl has received widespread recognition as an expert on the education of disadvantaged people. Other trustees include Wiseman Nkulu, Stanley Mogoba, Jerry Coovadia and Enos Mabuza. Mehl says that, in determining

the crucial issue of legitimacy or otherwise of the organisation, a number of matters are worth considering — notably the fact that the IDT's genesis can no longer be used as an argument for marginalising the organisation.

Some of the IDT's programmes and methods might well have been reviewed with the luxury of hindsight, he says. "Judge the organisation on where it is at present and what its trustees look like." Then, of course, there is the matter of its track record, he says.

Arguably the most critical issue on which the IDT will be judged is what it has done with the R2bn grant given to it by then President F.W. de Klerk on March 16 1990, to address the problems of the disadvantaged and focus specifically on the poorest of the poor.

The review, and a confidential document on the IDT's investment funds, shows that at the beginning of this month, the organisation had a total of R1,08bn which had not been drawn on. However, investing the initial R2bn grant generated a further R1,3bn, and R25m was received from government in 1993 after it sold strategic oil supplies. Then Public Works Minister Jeff

ROBYN CHALMERS

Radebe allocated R70m to the IDT this year from reconstruction and development funds.

In effect, therefore, the IDT has spent R3,25bn over the past five years and the remaining R1bn has been allocated. The money has been ploughed into more than 3 000 projects ranging from site and service schemes to welfare-related projects.

While the disbursement of funds is one method of judging the performance of the IDT — and based on this alone it has done remarkably well — the wealth of experience which has been gained is just as important to the future of SA's development industry, if not more so.

Mehl says a number of issues became clear through the experience of attempting to foster development, including that it is difficult to spend money constructively and rapidly, especially on the poorest of the poor. The IDT discovered the necessary development infrastructure had to be created, process had to take precedence over product in the initial stages of development, and unless development was an empowering process, it would fail.

(243) (260) RD 22/9/95

Through its at times unpopular programmes, the IDT has led the way on a number of critical policy issues. The obvious example is its work in the housing arena where the discredited site and service schemes first emerged and which now form part, although in a modified form, of SA's housing policy. In coming to grips with the problem of delivery, the IDT introduced a capital subsidy for individuals as the basis for its housing scheme, and recognised communities benefiting from the subsidies had to be involved in decision-making.

A mechanism to accomplish private sector capital for housing was launched. The IDT Finance Corporation, although it has experienced significant obstacles and a high level of arrears during its lifetime, could teach government important lessons in the forging of the National Housing Finance Corporation.

The past role of the IDT, successful in areas and less so in others, is relatively clear, and consideration should now be given to its future tasks. Having survived past controversies and questions over its legitimacy, the IDT has become involved in a war of words with the RDP office over the funding of a transition-

al national development trust. The trust was intended as the forerunner of the national development agency which would channel development funds to non-governmental organisations and community-based organisations.

The transitional trust was also intended as a step towards the merging of the development funding activities of the IDT with the Kagiso Trust to eventually form the agency, but its launch was delayed for the second time this week as the RDP office, IDT, Kagiso Trust and non-governmental representative bodies grappled with the difficulties involved in making funds available to such a complex sector.

A major grant-funding agency has to be set up urgently if the needs of the marginalised are to be met. The IDT can contribute much more than funds, and could become an integral part of it. Squabbles between interest groups and stakeholders should not, therefore, be allowed to derail a process which could result in the merging of the wealth of knowledge embodied within the IDT with that of Kagiso Trust, to form an agency which could help save thousands of cash-strapped non-governmental organisations.

LETTERS

ANC radio is relaunched

(260)

Ingrid Salgado

130 22/9/95

RADIO Freedom — the ANC radio station which operated in exile until the ANC's unbanning in 1990 — was relaunched as an independent station yesterday.

However, the new station will broadcast for only two weeks to mark today's official opening of the Radio Freedom Institute of Broadcast Journalism in Johannesburg by Deputy President Thabo Mbeki as a training school and production house.

The station's line-up includes programmes on current affairs, women's issues, entertainment and local music and its activities are aimed at SA's historically deprived communities.

The institute will be handed over by a support group of broadcast workers, Omroep voor Radio Freedom, who worked in co-operation with the Netherlands anti-apartheid movement.

This group raised finances to buy six mobile studios for Radio Freedom in exile, and trained the station's journalists.

The institute will also unveil a monument by Dutch artist Truus Menger at the Newtown cultural precinct, best described as a "dismantled" SA flag put back together artistically.

IBA attempts to regulate satellite – again

(260) WM(BM) 22-28/9/95

Neil Bierbaum

THE Independent Broadcasting Authority is making another attempt to regulate satellite broadcasting. Such control may be exercised by imposing restrictions on advertisers and other suppliers to the industry. But prospective local satellite broadcasters believe that these regulatory attempts may weaken their hand as they try to compete with international players.

The IBA intends holding a public inquiry "as soon as possible" to determine the "nature and form which the regulation of satellite TV broadcasting should take". Some of the issues to be raised include possible restrictions on advertising, local content requirements, the payment of licence fees by satellite broadcasters, techni-

cal standards; and ownership and control of satellite broadcasters. Legislation with regard to "foreign and unlicensed broadcasters" would also be looked at.

This is the second attempt by the IBA to regulate satellite broadcasting. The first attempt came in the form of a reference to "space stations", which it tried to have inserted into the Act when various amendments were made in July.

Its problem to date has been whether the Act gives it jurisdiction over the frequencies used by satellite broadcasters. These are by definition telecommunications frequencies and the IBA has been discussing with the postmaster-general whether they can be brought under the IBA's jurisdiction if they are used for broadcasting.

The IBA now seems to be of the opinion that the Act gives the IBA the

mandate to regulate all broadcasting activities in South Africa in the public interest.

A position statement said "It is worth noting that no distinction is made between terrestrial and satellite broadcasting. The provision of a broadcasting service by any means without a licence from the IBA is a contravention of the Act."

The IBA believes that unregulated satellite broadcasting could threaten its objective that broadcasting services, viewed collectively, should "develop and protect a national and regional identity, culture and character". But some commentators believe it should concentrate on the task at hand — the allocation of scarce terrestrial frequencies — rather than playing political philosophers.

According to Glen Marques, head of the IBA legal department, such leg-

islation has not been requested by anybody. He sees it as simply the next step along the way for the IBA policy department.

"The IBA seems to be taking the position that satellite is covered by the Act," says Lauren Jacobson of Jacobson, Rosin & Wright. "I think it's more of a practical issue — is regulation really in the public interest?"

She points out that in other countries such as the UK it has been deemed to be in the public interest and it has been regulated. "There is the conventional wisdom that satellite can't be regulated, but if there is a will and if it is desirous, then it is possible."

One means of control that the IBA could exercise is to make it a criminal offence to broadcast by any means without a licence. Any person assisting in this broadcast through adver-

tising or other means, even if it came from another country, could then be charged with assisting in a criminal offence. This could include advertisers or any other suppliers to the industry, according to Marques. He points out that "even Murdoch is talking to regulators in other countries".

Yet Jonathan Procter, MD of Ret Corp International, a prospective satellite broadcaster, believes that this market should not be compared with the UK, where there was a well established terrestrial broadcasting network before the advent of satellite TV. He believes this market is better compared with China and eastern Europe, where satellite TV was superimposed on countries which had little or no infrastructure.

He points to the Chinese experience, where government restrictions on satellite broadcasters weakened the hand of local players against the onslaught of Murdoch and Ted Turner, who now dominate that market. "You can regulate satellite broadcasters from the inside, but not from the outside," says Procter. "If the international players see the South African boys having to subject themselves to legislation, they will roll out very fast."

Mark Grey, MD of African Satellite Entertainment Corporation (Asec), which is currently broadcasting test signals from Swaziland, concurs. "There is no point if the legislation weakens the position of local broadcasters relative to foreign broadcasters. There is also no point if the regulator has no way of policing or enforcing what it regulates, and the rate at which satellite technology is developing makes it difficult to police."

But Jock Anderson, MD of Orbicom, the MultiChoice signal distributor, says, "I don't think it's their intention to weaken the hand of local players. It's a case of working together. The IBA clearly wants to be part of the process."

Procter adds that the legislation would be ex-post-facto, since MultiChoice is already broadcasting and there are an estimated 60 000 dishes already installed. "It would help MultiChoice further," says Procter, who adds that the IBA is trying to protect "terrestrial broadcasters who do not yet exist".

In the end, it appears, compliance may be driven more by political expediency on the part of broadcasters than any real power on the part of the IBA.

Oracle: Taking ad sales into the future

Neil Bierbaum

AN independent advertising "sales house" has been launched to facilitate the buying of advertising airtime on television in the new multichannel environment.

Oracle Airtime Sales Limited (Oracle) will represent those channels in the MultiChoice bouquet available off PanAmSat4 (Pas4) which will take advertising. It is not yet clear which channels will take advertising, although it is known that M-Net, K-TV and Supersport will be among them.

Oracle will also represent the existing M-Net channel, which will still be available to current subscribers and to subscribers to the satellite service for no extra charge. Oracle would eventually also look to sell for other satellite and terrestrial stations, according to general manager Peter McKenzie.

The sales house concept was developed in the UK in response to ITV, the network of regional stations in England, and the various satellite channels. The major intended benefit of the sales house concept is that it can provide systems and software which alleviate the complexity of managing the increased amounts of advertising inventory and available airtime which

arise from the multichannel environment.

M-Net, along with Star TV, CNBC in New York and CTV in Canada, is involved in a joint development programme with JDS, a Colorado-based media software specialist. The intention is to develop "a new generation of airtime management systems".

To be known as Paradigm, this system will ultimately enable sales executives to schedule ads while at the agencies. They will be able to report instantly on the availability of desired slots. Paradigm is to be phased in over the next six months.

Such sales houses have had mixed reaction from the UK advertising industry. Some agencies have accused them of fuelling media inflation, of poor administration and not fighting ads. Yet these complaints could have been an internal issue unique to particular organisations rather than one common to the concept itself.

Oracle will be made up of the highly successful M-Net commercial time sales team, which for the last three years has won the Marketing Mix Media Owners' Marketing Awards (MOMA), an award based on service provided by media owners to the advertising industry.



A new paradigm? Oracle general manager Peter Mackenzie

SABC names heads of new TV channels

WM 22-28/9/95 (260)

Justin Pearce

TWO scions of CCV-TV's marketing department and one South African Broadcasting Corporation old-guarder are to head the SABC's revised three-channel television line-up, which will take effect in February next year.

Molefe Mokgatle will head Channel 1, Taninga Msimango will become acting head of Channel 2, and Louis Raubenheimer is to head Channel 3. The three channels will respectively occupy the wavebands currently used by CCV, TV1 and NNTV, though the channels are to be completely reorganised.

Raubenheimer's position among the SABC old guard and as a one-time member of the State Security Council made him appear an unlikely choice for a senior executive position in the new regime. He appears to have won his position in recognition for his success in transforming NNTV from a stepchild channel into a respected educational broadcaster.

Mokgatle — who currently serves as acting head of CCV — and Msimango appear to have been promoted

as a result of their contribution to CCV's recent boom in audience ratings. Both have a background in CCV's marketing department which, until now, has had a substantial say over programming.

Msimango appears to have been given an acting appointment owing to her relative lack of experience in the field — if her appointment is eventually made permanent, she will be the first woman to occupy such a position at the SABC.

Acting head of television and former CCV head Madala Mphahlele has been moved sideways into the new position of general manager for Africa, where he will be in charge of forming links with other public broadcasters across the continent.

The new three-channel format will last until the SABC relinquishes its third channel in keeping with IBA recommendations, which is due to happen at the beginning of 1998. The broad language division of the channels will be one for Nguni languages, another for Sotho languages and Afrikaans, and a third for English, though this will not be a hard-and-fast division.

and He rejected the offer

After a lengthy dispute with the SABC, Weavind has given Auckland Park an ultimatum. He wants to be re-employed as a producer of TV programmes or he will sue for the alleged infringement of copyright in *The Busker*.

Weavind claims he wrote the children's series in his own time in 1988. This included the costume designs and visualisation of the series on screen. The idea was approved by the SABC's children's programmes department, says Weavind.

Production started in October 1988, with Weavind as producer, and the first episode was approved. Soon after that, Weavind claims he was told to stop work on the series and was transferred back to the training department. Outside production company Facet Films was then appointed by department manager Ken Hardy to complete the series.

The title jacket of the series credits Hardy for the screenplay of the first episode. However, it says that it was "based on an idea by Conrad Weavind". Weavind dismisses this and alleges Hardy's screenplay shows remarkable similarities to his original work.

In August 1993, then SABC assistant legal adviser Esthea du Toit wrote to Weavind offering him "2% of the gross revenue derived from the commercial exploitation of the series or of any merchandising arising therefrom". This, stated Du Toit, would be "full and final settlement of any claim which you may have against the SABC, and subject thereto that you cede any copyright you may have in *The Busker* to the SABC".

Du Toit further stated that "the decision of whether commercial exploitation of the series or merchandising will be undertaken will be solely the SABC's decision".

Weavind objected to this. He says: "In effect, it meant that I would cede my rights to the SABC, who could then discard the series, leaving me with nothing".

In September 1994, after he had written to former TV chief Quintin Green, Weavind received a letter from SABC legal adviser Leander Gaum to the effect that "the SABC does not share your opinion that *The Busker* is of outstanding quality". Gaum said that the SABC was prepared to sell the programme and all its rights to Weavind on a cost basis to put him in a position to exploit the programme in his own right.

Weavind rejected the offer. "How can they sell something which I don't believe they have a right to sell?" he says. "If I buy the series from them, I'm admitting that I do not have any claim to it. This is exactly what the dispute has been about".

Less than a year later, the SABC broadcast episodes of *The Busker*.

Weavind has now asked Performing Arts Workers' Equity (Pawe) union attorney Barry Kirkman for assistance. The SABC's Du Toit, now legal adviser to the corporation, says on September 4 a meeting had

been held between herself, Youth & Education Programmes head Paul Liebetrau, Weavind and a Pawe representative.

Weavind, however, rejected another offer made to him to submit his new proposal for a pilot episode of the series through the commissioning process, says Du Toit. She says the SABC is not convinced that Weavind has any copyright in the series as he was employed by the SABC at the time the work was done.

Eddie Botha

SABC

Money or the box?

The lifelong ambition of a former SABC employee to direct TV programmes could end in court. Conrad Weavind alleges that the SABC infringed copyright which he claims to hold in a children's series called *The Busker*, broadcast in July.

Though the SABC admits the series is based on an idea of Weavind's, the corporation has offered to sell the rights to Weav-

Business, economists welcome Eskom's price hike

By CHARLOTTE MATHEWS

INVESTMENT EDITOR

Businessmen and economists welcomed Eskom's announcement on Friday of a 4 percent hike in the average price of electricity from January 1 next year, but said it was in line with expectations and would not cause them to revise inflation forecasts downwards.

Jacob de Villiers, the executive

director of the Afrikaanse Handelssentrum, said this meant a fall in electricity tariffs in real terms, which would contribute to economic growth and improve the quality of life for a large part of the population.

Sacob said that Eskom's tariff policies in recent years had shown "a responsible and determined approach towards the objective of containing inflation."

However, business still had to establish whether the average price meant there would be sharply differentiated rates for different categories of users.

Business was also concerned about the electricity on-sale policies of local authorities, which appeared to use the electricity tariff as a revenue-generating mechanism.

This concern was echoed by Econometrix senior economist

Michael Bester, who said the moderate increase would not affect predictions of inflation because it was a very small component and could be added to by local municipalities.

Some of the major municipalities generate a portion of their electricity needs and buy the remainder from Eskom, and are believed to make a profit on electricity to subsidise other expenditure. That could become even more

popular since the looming local government elections could see greater pressure on local government finances.

Terence Möll, the senior economist for Old Mutual, said the main reason Eskom was able to increase its rates below inflation — and had committed itself to doing so for at least the next four years — was that they had surplus capacity, so they could increase output in the

economic upturn without an increase in costs. It was also the best managed parastatal, he said.

Bester said Eskom was benefiting from recent investments in projects such as Columbus and Alusaf, which were helping to offset lower demand from the gold mines. The volume growth from industrial users compensates for the low price increases.

(Feb) Star (Pret) 25/9/95

hike

the economy. The main increase had set lower rates for electricity and were heavy users of mines. The demand from the gold industrial users compensates for the low price increases from the gold.

SABC to be cut back – in 1998

According to the as yet unreleased IBA report, the SABC will be divested of one of its channels, to be sold to private interests, reports **Justin Pearce**

THE South African Broadcasting Corporation will lose one of its three television channels at the end of 1997, to make room for South Africa's first privately owned, free commercial television broadcaster

The SABC will, however, retain its present three channels until then

Independent business concerns will have the opportunity to put in proposals for broadcasting rights on the third channel, leading to the establishment of South Africa's first terrestrial commercial TV channel in 1998

These guidelines form part of the Independent Broadcasting Authority's report on the future of the SABC in the context of a restructured broadcasting industry in South Africa, handed to Minister of Posts and Telecommunications Dr Pallo Jordan last week. It has not yet been tabled in Parliament, though details of the report were leaked to the *Mail & Guardian*.

The report is the conclusion of the IBA's Triple Enquiry into the functions of the SABC and regulations for cross-ownership and local content

During the hearings which informed the writing of the IBA report, the SABC argued that it

would have to retain three TV channels if it were to fulfil its responsibilities as a public service broadcaster catering for 11 language communities, and still include enough entertainment material to make the service partly self-financing

In the final set of hearings, however, the SABC conceded that it might be able to relinquish one of its channels after a consolidation period. It appears that the IBA — which in terms of the Broadcasting Act has a responsibility to preserve the viability of the national PSB (public service broadcasting) service — has taken its lead from this eleventh-hour concession by the SABC

The SABC will retain a monopoly on free terrestrial television and its advertising revenue for the next two-and-a-half years, before the handover of the third waveband to a private company. After 1998, according to

the document in the hands of the M&G, the SABC will also have, "in all probability", a licence for one satellite service

The television services of the former homelands will be merged into these SABC services

There is likely to be some debate over the time scale, with impatient aspirant broadcasters wanting to enter the market sooner, but others arguing that 28 months is a reasonable minimum period of time for the SABC to consolidate its finances, for business interests to prepare their proposals for the new channel, for the IBA to consider these proposals, and for the chosen broadcaster to set up the new station

This time scale gives satellite broadcasters almost two-and-a-half years in which to establish their audience with only the SABC and M-Net as competition. Some commentators believe this will allow satellite television to gain dominance in the market

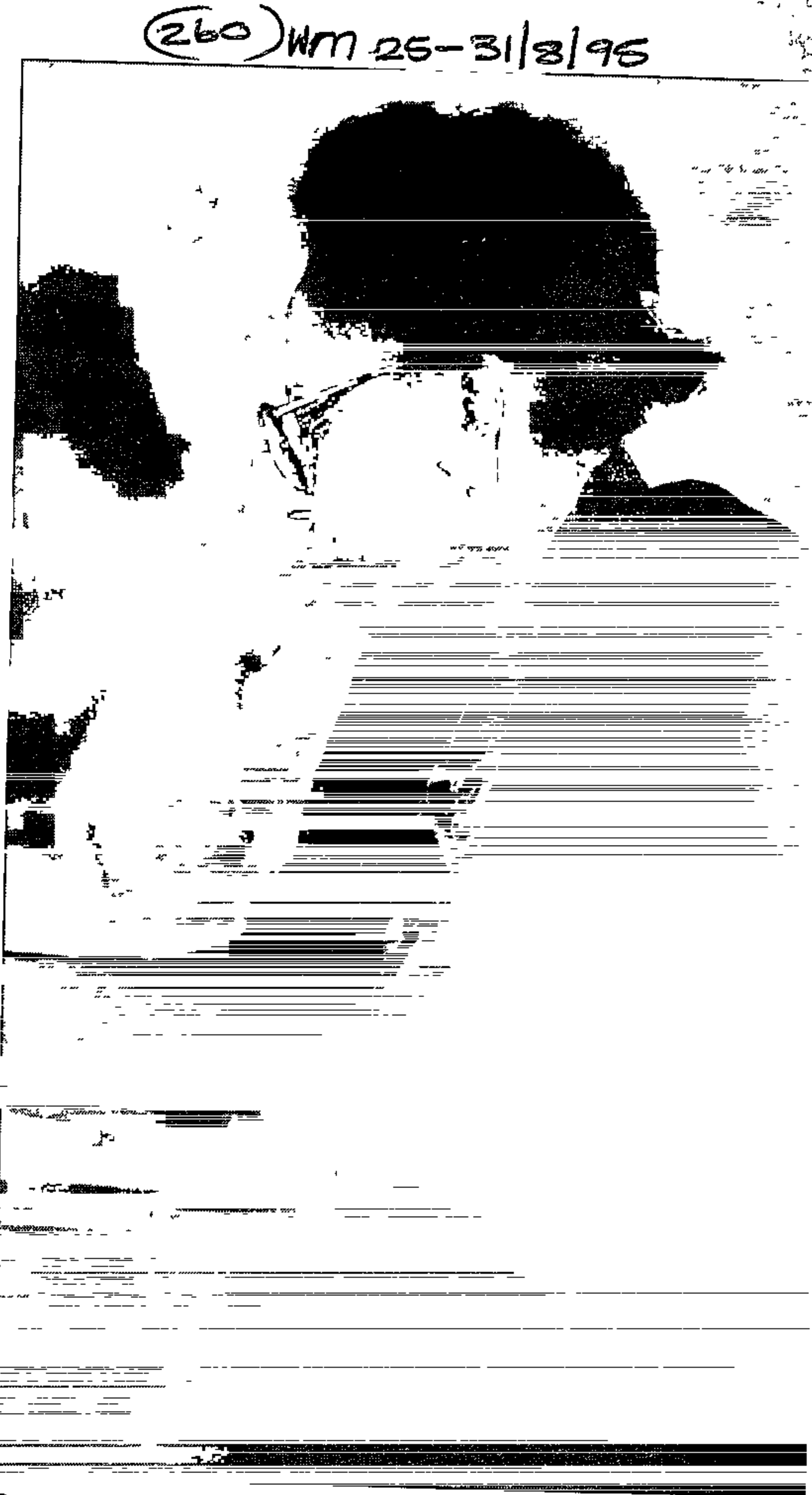
In 1998, the IBA will also consider "the financial viability of introducing a second private channel, either nationally or regionally", but argues that there are limited resources in the country and "there

will, of necessity, for the foreseeable future, be a limited number of television stations licensed"

The IBA argues that by ensuring these stations are "high quality and distinctly South African", they will be better placed to compete against foreign satellites and to encourage foreign investment

It will now be up to Jordan to prepare legislation to go before Parliament, which will enable the transfer of the licence to broadcast on the third channel, as well as a certain quantity of SABC assets, into private hands

When the IBA eventually considers business proposals for the commercial station, it is likely that the submissions will have to meet a strict set of criteria as conditions for the granting of a licence. According to the document, the public service responsibilities of the SABC will be shared with



Over at last. IBA co-chair Sebileto Mokone-Matabane during hearings earlier this year

PHOTOGRAPH HENNER FRANKENFELD

other TV channels, including commercial terrestrial, satellite and community TV stations. All television licensees will have to "make some appropriate contribution to addressing the needs of the South African public".

The ownership of the company chosen as the broadcaster for the third channel will, in all probability, be required to include a substantial number of "historically disadvantaged" South Africans, in order to prevent established foreign and South African business dominating what is likely to be an extremely lucrative business

The model outlined in the document given to the M&G has been described as one which "regulates for quality rather than for money". The guidelines are likely to come in for criticism from those who favour the proliferation of purely commercial broadcasting in South Africa — which some believe is the best way to encourage foreign investment in the local broadcasting industry

However, the overall proposals will find favour with those who support the existence of a strong, though pruned-down and independent, public service broadcaster

Reluctant parastatal a model for the RDP

(260) (347) um(3m) 25-31/8/95

Aspasia Karras looks at the innovative parastatal that's trying hard not to be a typical parastatal

INTERSITE managing director Dirk Ackerman has been instrumental in ensuring the property-management arm of the South African Rail Commuters' Corporation has not become a typical parastatal.

Instead, he has created a state organ that can stand as a model for the Reconstruction and Development Programme (RDP).

"I am a terrible egotist," he claims, yet he is reticent when it comes to revealing details about himself and his role in the process of creating Intersite. However, a good story is seldom left untold.

Intersite seems to be scoring both in media attention, with 49 high-profile projects on the go, and on the developmental yardsticks of transparency, accountability, sustainability and consultation.

Ackerman was head-hunted from SA Perm in 1991 to spearhead Intersite — the initiative of the Transport Ministry and the Rail Commuters' Corporation aimed at making use of a property portfolio worth more than R2-billion.

Intersite was formed specifically to use the property in commercial ventures not directly related to the railways. At this point, Ackerman contends, the parastatal became a model of innovation.

"We manage the people's property. But this was a really difficult concept to sell prior to the elections because it



Dirk Ackerman: Wants to help turn people away from reactionary politics

was imagined that as soon as you bought into (the idea of) people's property, you would have about a million of the people squatting on said property."

It was understood that all development decisions had to be taken on a fully consultative level. Labelling the process PIP, or Public Involvement Process, Intersite claims to consult extensively, on every level in the community, before embarking on any projects.

Its new Tshwane Village development in Hatfield, around Pretoria's

Rissik Street Station is, Ackerman says, an obvious example of this approach. Intersite has even used a pre-settler African name. The project will provide corporate headquarters for African Engineering International, house embassies, and develop an up-market shopping complex to complement the exclusive nature of Hatfield.

Intersite argues that to finance and sustain development the social viewpoint must be taken against a commercial background. The company claims that it does not believe in

short-term budgetary gains.

"The RDP is about this kind of project. It has to be commercially viable to generate wealth," argues Trevor Glass the mastermind of the Hatfield project.

Probably a more watertight project in terms of conventional RDP conceptions is the rehabilitation of Johannesburg's South Station. Eleven black companies have been contracted for the R5,4-million venture.

Ackerman feels Intersite's developmental approach is largely due to his staff, who mostly come from a struggle background, "even though we sit here in white in suits and ties".

He feels that South Africans have shown political conviction and resolve, but now, for the latter part of the Nineties, we need economic resolve which for him is a more difficult challenge.

He is quick to point out that only 43 per cent of his staff is white so, in affirmative action terms, Intersite has already bettered the Black Man's age n t Forum's requirements for the year 2000.

Another progressive ideal at Intersite is the small staff base comprising 75 people. Ackerman argues that in the private sector a company managing the same amount of property would employ more than 300 people.

Nicholas Wolpey, the recently returned-from-exile son of Harold Wolpey, heads up the new policy unit

at Intersite and has played a key role in compiling policy documents for Derek Hanekom's Land Forum. Intersite has made a big contribution to the process, believing a parastatal can be an effective catalyst of sustainable development.

State land is an intrinsic asset, but it is only optimal if it is effectively used, otherwise you build a house of cards," points out Wolpey.

Ackerman maintains Intersite is effective on three levels:

- It creates opportunities for black entrepreneurs by increasing their capacities to function at levels that were previously exclusively white.

- By taking a commercial view on what should be done with the land, but with the input of communities, not only are jobs created, but sustainable development of state assets is ensured.

Intersite's developmental approach is largely due to its staff, most of whom come from a struggle background

- Because it makes money as a commercial venture, it reduces the tax payer's responsibility, and feeds money back into the railways.

"I want to put back as much as I can into the economic structure and help to turn people away from reactionary politics," says Ackerman.

For a man who claims to be a workaholic, but who also relishes the experience of triple-loop aerobicic feats in a small plane, Intersite and its sustainable and profitable development is definitely an appropriate context.

Theo Rawana

Call to enforce restructuring ban

SIX black business organisations have called on government to enforce the moratorium placed on the restructuring of state assets because parastatals were restructuring themselves to the detriment of black economic empowerment.

And the "non-committal" response from Public Enterprises Minister Stella Sigcau has pro-

moted Nafcoc Gauteng president Mashudu Ramano to threaten that the issue would be taken up at national level.

Nafcoc Gauteng, the Practitioners Forum of the Association for the Advancement of Black Accountants, the Congress of Business & Economics, the Black Lawyers Association, the

Chartered Association of Certified Accountants and the Independent Black Consultants submitted a memorandum to government last week expressing concern over some practices by state enterprises in the restructuring process.

The six said while government was debating the issue, restructuring

was already taking place at Telkom, Spoornet, Sasol and the IDC.

They called on government to make sure that only organisations who are committed to progressive employment practices, affirmative purchasing and the development of their workers participate in the restructuring process.

BD 28/9/95

NP hits at IBA decision

Nov 27/9/8
(260)

The National Party has condemned an Independent Broadcast Authority (IBA) decision to issue a special licence to Radio Freedom, "a radio station with a strong loyalty to the ANC".

NP spokesman on broadcasting, Marthinus van Schalkwyk, said the IBA established a belief that there was one set of rules for the ANC and another set of rules for other South Africans.

Van Schalkwyk said he was still trying to establish whether the licence was issued directly to the ANC or to another organisation "well-disposed towards the ANC".

"Relevant legislation expressly forbids the issuing of licences to political parties. Even if it were not issued to a political party, it would be against the spirit of the legislation to award it to an institution which would then clearly use it to the benefit of a political party," he said.

"Apart from such a 'special' licence being unheard of in these circumstances, it's indefensible that it be granted in the run-up to local government elections.

"The IBA has jeopardised its own independence and creates the impression of favouring the ANC. As a body which should enjoy the trust of the public, and whose independence should be above suspicion, the IBA should immediately act to remove this impression."

- Political Reporter.

APPLICATION SUBMITTED TO IBA

SABC set to enter satellite TV broadcasting market

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To receive their programme line-up, subscribers will need a satellite dish and a digital integrated receiver-decoder (IRD) which should cost between R4 000 and R4 500.

The Swaziland-based African Satellite Entertainment Corp (ASEC) also plans satellite television broadcasts, but has not yet unveiled its plans — Reuter

(260) ET 29/9/95

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(260) or 29/9/95

Deathly hush at SABC about not-so-klein

contract

(260) 8029/9/95

But DLJ CE John Chalsty has bid Frankels farewell, saying the joint solicitation agreement between the two would be superseded by DLJ's marriage to Pleaide. But he thanked the firm for introducing them to Corporate Africa who own Pleaide.

Sources said this week Frankels had been hopeful that the trading agreements developed with DLJ and Japanese investment bank Yamaichi would have blossomed into an equity exchange arrangement.

But both Frankels and DLJ maintain that an equity exchange was never part of the bargain

□ □ □ □

STILL with Frankels, we hear an application for a banking licence could be delayed until the JSE's investigation into the firm has been resolved

Sources said the Reserve Bank might be unwilling to grant a licence until the JSE's charges against the firm and its directors had been clarified.

We are told the firm intends to establish a private investment bank and could tie up with a foreign investment house to increase their overseas exposure. Rumours are that Morgan Stanley or Lehman Brothers could be involved.

Frankel Pollak director David Shapiro said the bank would largely be involved in domestic investments, but also intended to secure foreign investment in the country

"We prefer to go the independent route with cer-

tain local and foreign parties as investors. We would also extend our research base should we find a suitable partner," he said.

□ □ □ □

BROKERS Astley and Pearce are to close their futures operations business at the end of this month because of a general lack of interest, we are told.

Trade on the futures market has been thin this year and sources say the company is one of the first in what could be a long list of closures

Compliance officer Damion Walsh said the company would continue its foreign exchange trade and gits operations

□ □ □ □

STEVE Mulholland is to retire as Fairfax Holdings CE at the end of November, we hear

He will remain on the board of the Australian publishing group but is likely to return to SA about the middle of next year.

But he has given no indication of what his plans are when he returns, we are told.

Mulholland's successor as CE will be Robert Mansfield, who is currently the CE of one of Australia's largest private telecommunications companies, Optus Communications.

INSIDER TRADING

Edited by
Beatrice Payne

R300 000 a year

Klein argues that building in the value of fringe benefits raises the figure to the R500 000

Senior staffers at the institution, however, are more than a little unhappy that the consultants may be creaming it, particularly as senior heads of department receive basic packages of R200 000.

The matter will be discussed at a meeting next week, where we expect to be told in the interests of transparency what the contract was worth.

□ □ □ □

DESPITE claims to the contrary, it seems Frankel Pollak Vindereine has effectively been sidelined after its US-based trading partner Donaldson, Lufkin and Jenerette (DLJ) linked up recently in a joint venture with Rob Dow's Pleaide Investments

Earlier this week Frankels was hopeful that it would get a slice of the action from the DLJ/Pleaide joint venture, which is part of a plan to recapitalise African Bank

WHILE the amount may seem like peanuts compared with what consultant Eugene Nyati was paid, we hear that there is growing concern at the SABC over the sums paid to Adam Klein and former Independent Mediation Service of SA director Charles Nupen for a six-month contract to "manage change" at the institution

Neither SABC CE Zwelakhe Sisulu nor ex-Boumat CE Adam Klein were prepared to tell us how much the contract was worth. Word in the corridors, however, is that Klein's cc, Klein Management Consultants, received R500 000 for the six-month contract and Nupen something similar. However, another source said it might have been less than that — R80 000 a month for the two together.

Last week Klein referred us to Sisulu saying he was not at liberty to disclose what the contract was worth, as the matter was confidential. Sisulu however tells us it is up to Klein and his colleague Charles Nupen to tell us as he (Sisulu) is committed to confidentiality "I have no interest in having secret deals. There is no fraud here," he says.

Klein says the contract includes him and Nupen tells us he was a beneficiary under the contract to conduct certain workshops for various interest groups in the organisation. He says he has no idea of the figures involved in the contract

Klein and Sisulu say the contract is worth less than the R500 000 figure that has been punted. The top executive package at the SABC amounts to about

Four new satellite TV channels due this year

Ingrid Salgado

THE SABC would launch four new satellite television channels by the end of the year and another seven were due in July next year, corporation CE Zwelakhe Sisulu said yesterday.

This includes an "open democracy" channel, providing continuous coverage of Parliament, the provincial legislatures, truth commission hearings and other hearings of public interest. It would be available free of charge from July next year.

A 24-hour news and information service, as well as documentary, sports, movie, music, language specific and children's

channels would also be available then. The channels would be encrypted and would require subscription fees.

NNTV, the best of TV1 and CCV and the best of the encoded channels would be broadcast free of charge via satellite.

The channels could initially be received using cheaper analogue dishes (R1 500) but would move to digital (R4 000) once price parity between the two was achieved. This was expected by 1999. However, the SABC would continue expanding its analogue capacity so as not to abandon viewers with analogue receivers, he said.

The introduction of satellite channels would not affect the

terrestrial broadcasting of TV1, CCV and NNTV. These channels would be available on analogue, at no cost, from Monday.

Satellite dish and receiver owners could receive the international news and entertainment channels, as well as NNTV and the best of CCV and TV1, from December.

Depending on demand, there could be 21 encrypted TV channels by July 1998.

The SABC's 11 language-based radio stations would be broadcast via satellite to achieve a national footprint for each. There was a possibility of broadcasting specialised satellite radio services, including news, sports, business and

school curriculum services.

Sisulu said the SABC would compete aggressively for a substantial share of SA's satellite audience and broadcasting revenue from both subscription and advertising revenue. Satellite television was expected to reach nearly 200 000 homes in the next year and 1-million homes in the next three years.

This meant the revenue potential of satellites would increase steadily. "Satellite revenue, combined with commercial revenue from our terrestrial operations, will be used to cross-subsidise non-viable services which form a key part of our public service mandate," Sisulu said.

BD 29/9/95 (260)

Thought police to be disguised as a language board

30 29/9/95

JOHN KANE-BERMAN

SA IS showing some decidedly contradictory tendencies. On the one hand Trevor Manuel is courageously liberalising external trade relations, in the process getting rid of local content restrictions in the motor industry. On the other hand, local content requirements are being imposed upon broadcasters. Even as the powers of the maize board crumble, in come new boards with new powers in other fields.

Manuel's job is unenviable because allowing imports into the country more freely, whether in the motor or the textile or any other industry, poses threats to jobs and investment in factories set up behind tariff barriers. How much easier it would be to take tough decisions if this were not the case. Yet we are about to set up protective barriers for local production of radio and television shows. When and if it is decided that the local entertainment industry should no longer be sheltered from international competition, we will no doubt again hear cries about jobs being threatened. But if jobs are not viable when faced with competition from abroad, why set out to create them in the first place?

Much of the comment on the re-

cent report of the Independent Broadcasting Authority focused on its proposals for quotas of local music. However, local content quotas will also apply to drama, current affairs, documentary, children's educational, and "informal knowledge building" programmes. Among other things, this is to ensure that broadcasters cannot fulfil the requirements by focusing on "cheaper programming categories like game and talk shows".

And just to make sure that listeners cannot escape either — except, of course, by switching off — the IBA says: "For the quota to be meaningful for the public, it is critical that SA music played on radio at times when audiences are most likely to be listening."

The IBA is just one of the new SA institutions seeking to increase their power over the rest of us. Another is the Pan South African Language Board, legislation for the establishment of which is now awaiting the president's signature. Like the Human Rights Commission and the Commission on Gender Equality, this creature will be funded by taxpayers.

Whereas Tito Mboweni's Labour Act is written in straightforward

English, Ben Ngubane's Pan South African Language Board Act is an example of how neither legislation nor anything else should be written.

The board, so the attached explanatory memorandum informs us, must have four "language workers" among its members. "These persons, we are helpfully told, are 'multilinguals who interface at all levels of society in both humanitarian and communicative respects'." Language workers, we are further informed, "are universally considered to be indispensable to keep any multilingual society together because of their expert knowledge and grassroots experience in bridging interlingual gaps". Their inclusion on the board is necessary because "little understanding or communication can be possible without the input of language workers".

In addition to the four language workers, the board will have three "language planners". Lest we get confused about the difference, the memorandum explains further that language planners "operate at the macrolevel of language management and planning". Language

workers are on a much lower plane: they "essentially operate at the micro-level of language".

On an even lower plane are those who — so the memorandum says — "may be regarded as 'ordinary people'". However, presumably to ensure not just anyone is appointed to the language police, these ordinary folk may join the board only if "they have some knowledge of language issues relevant to SA".

Not all the official languages will be represented on the board. For one thing, "representativeness is a relative concept". For another, "direct representation on the basis of ethnolinguistic factors in particular will inevitably lead to undue ethnolinguistic centrism and could possibly increase the potential for language conflict in SA".

The board — which will establish language committees in each province — will have as one of its objectives "the prevention of the use of any language for the purpose of exploitation, domination, or division". The possibilities are intriguing. They include the reintroduction of censorship that is supposed to be on the way out.

Will the authors of lascivious novels be called in front of the board

to answer complaints that they are using language to exploit their readers' sexual fantasies? Will we see a revival of the silent movie as producers of pornographic films play safe in future by avoiding language altogether? Will Chris Stals or any one else calling for real wages to be flexible downwards have to make their point using graphics?

As is the case with the Human Rights Commission and the proposed Commission on Gender Equality, these language apparatchiks will have the power to summon any person to appear before them and/or produce any official document or other information or object. Unlike these other bodies, however, the language board will not have the power to penalise people who disobey its summonses. This, has prompted complaints — presumably from those so-called "indispensable" language workers — that it suffers from a "lack of teeth".

No doubt the workers by tongue will soon be given the teeth they lack. In the meantime, they will have to be content with having got themselves on to the public payroll.

□ Kane-Berman is SA Institute of Race Relations executive director.

LETTERS

Reddy sits on critical radio report

Marion Edmunds

SOUTH African Broadcasting Corporation Radio Chief Govin Reddy is fighting shy of releasing a foreign consultant's report critical of the way change has been managed at the SABC's controversy-ridden English-language radio station Saffm.

Reddy wants to keep an Australian-funded report, which criticises change management at Saffm over the last year, confidential until he has discussed it with senior management — despite mounting interest in the report from SABC unions, staff and the media.

The report, written last month by Australian media consultant Ann Tonks, is a follow-up on recommen-

dations made by her and other international experts last year, just after the elections. Sources in the SABC charge Reddy is "sitting on the report" and "keeping it close to his chest".

Tonks' spokesperson in Australia said she would not talk about the report because she respected the SABC's desire for confidentiality. The Australian Embassy, which facilitated funding for Tonks' work, would not comment either.

Tonks initially made recommendations in 1994 to help ease the transition from Radio South Africa to Saffm. These are not confidential, but Reddy's office said this week the 1994 report containing those recommendations had been mislaid. The follow-up report — the one deemed "sensitive" and treated as confidential — fol-

lows Tonks' visit last month to assess the station's progress after a year.

According to sources, Tonks expressed disappointment that few of her recommendations had been implemented and has suggested more.

The transition of Radio South Africa to Saffm provoked squeals of outrage from listeners who felt alienated by the changes, and strong defence from those who supported the new approach. Reddy justified the changes, saying that Saffm needed to broaden its appeal to all English-speakers and that much of the criticism was generated by a group of white, ageing racists.

While letters of protest from both

LWM 29/9-5/10/95 (260)

sides filled newspapers and flooded Saffm, Saffm's listenership has dropped.

Reddy remains defensive about the Tonks report, saying it was not unduly critical; that the major criticism had been that the station had not marketed itself properly, and that the staff needed more training. He said the report praised the progress made by Saffm in repositioning itself and in strengthening the current affairs programmes.

He said that some of her initial recommendations were not implemented because they would have cost too much.

When asked if he would be happy to have Tonks back for a third evaluation, Reddy said that he did not think that they needed her any more.

Community radio unfazed by SABC

Jack Rampou

THE SABC is competing with new community radio stations by providing regional language services country-wide. But community stations say they are not threatened and can compete effectively.

SABC radio has created extra services for specific language groups by using transmitter splits in the different regions. For example, since July 3, both Radio Zulu and Radio Xhosa have been running regional programming aimed at Gauteng and Cape Town communities respectively. They have both been allocated time

slots between 5 30pm and 7pm to facilitate regional services — news, actually programmes and sports.

Radio Afrikaans is due to open similar services on October 2, offering services to Port Elizabeth, Kimberly and Cape Town, and Radio Sesotho will be doing the same in Bloemfontein, parts of the Eastern Cape and KwaZulu-Natal.

"It's a scam. The SABC is playing all these silly games and the IBA should intervene," says Alan Munro, Smart FM station manager. But he is not fazed by the competition. "I do not feel threatened by SABC power — there is room for all of us. Our only fear as community stations is that we

are faced with number-crunchers — if you do not have a big audience, everyone turns their back on you."

He believes part of the Broadcasting Act needs to be changed to offer new community stations more freedom, such as not having to apply to do outside broadcasts, for example.

"We all have roles to play. The SABC should stop window-dressing and fulfil its obligation as a national broadcaster," Munro says.

Radio Fishhoek and Tygerberg, two Western Cape Christian stations sharing a frequency, do not feel threatened either. "It is an open market. If they intend to be in competition with us, we will deal with it," says

the Reverend Soon Zevenster for Radio Tygerberg.

News director Morio Fanyana of Radio TNT, a campus station at Technikon of the North, sees no threat from the SABC. "We have our own mission intended for our specific audience, whom we live with."

Rodger Thebe, station manager at Radio TNT, feels it stands a better chance than stations like Radio Mmabatho. "We have a very intimate relationship with our community. We live with them and there is no way our community can desert us for another, especially the SABC," he says.

Campus station UCT Radio feels the SABC is seeking a new identity. "I think the SABC is threatened by us because we are more focused," says technical director Manno Phocas.

SABC's vision has birth pangs

Sources at the corporation say a row is brewing

By Sharon Chetty

IT'S BEEN A LONG, hard haul for those charged with the task of transforming the SABC into a representative public broadcaster

And now that the board has decided on their vision for future programme content, there is likely to be dissent from line function people about implementing their plan

Two weeks ago the board agreed on broad principles and a formula on how programmes should be scheduled

However, the new plan is a shift from an earlier decision, which has resulted in sharp criticism from managers in the corporation. Critics of the changes say a huge row is brewing at the corporation as

- The new format is a reversal of a decision taken in May that would have allowed more flexibility in programming,

- Work on schedules have already started and the new decision means that four months of planning and research has been wasted, and

- The board is altering the essence of its plan, which was submitted to the Independent Broadcasting Authority

Sowetan sources at the corporation say the new plans will ensure Afrikaans is given a set time slot, which was the intention of those who reopened the subject for intense debate

Language blocks

The new decision means that programmes would in future be broadcast in "language blocks" and the board resolved that two channels – the current TV1 and CCV – will be devoted to multilingual programmes

Nguni languages (Zulu, Xhosa, siSwati and Ndebele) will be carried on one, and the second channel will be shared between Afrikaans and the Sotho languages (Setswana, Sepedi and Sesotho)

English will be retained on the third channel, which is the current NNTV, and has the smallest, mostly urban, reach

The problem with this new format is that it ensures that certain languages will be broadcast at certain times, without any room for flexibility. It also presumes that people want to watch according to language and not types of programmes

Tastes in programmes

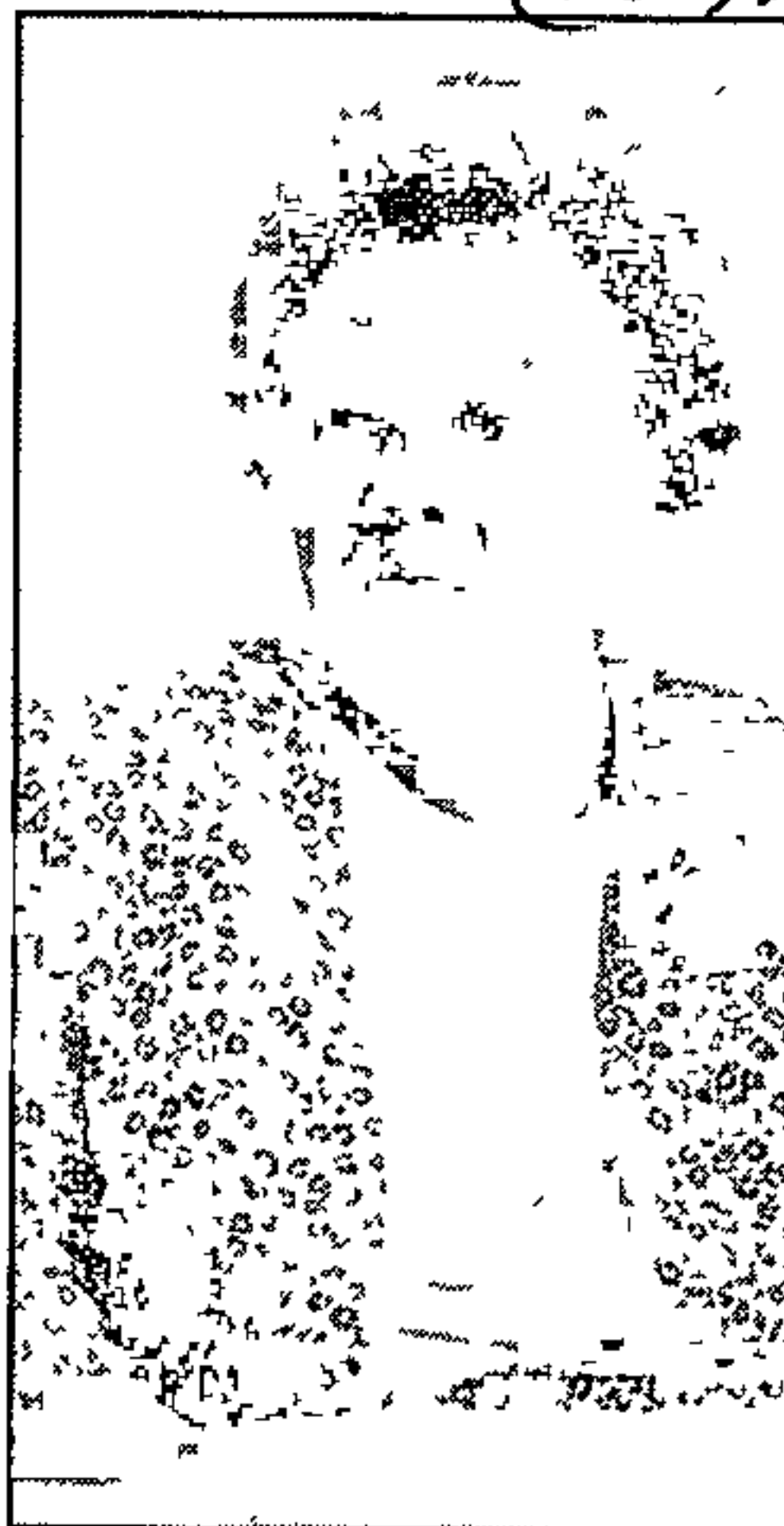
Critics of the plan also say it is naive to expect people to watch programmes in language blocks because it is just not done in that manner

The basic principle of the past plan was that it would be complementary and that viewers would be enticed according to tastes in programmes

However, SABC board chairman Dr Ivy Matsepe-Casaburri this week said the new formats would not change things substantially

She said their decision taken on September 6 had been after much debate on how to accommodate the numerous official languages

Recent research by the corpora-



Dr Ivy Matsepe-Casaburri ... language should not be equated with culture.

tion – the first it had done on viewers' needs – found that most people prefer watching programmes in their home language

Their second choice is English, a finding which surprised people at the SABC as the general perception was that viewers living in areas like the Free State would want Afrikaans programmes

It is not possible to have a channel for each language, so a formula had to be found, says Matsepe-Casaburri

According to one manager who worked closely with the schedules, a lot of work had gone into ensuring that programming would be interesting without forcing viewers into watching in a pattern dictated by language

"We worked on the premise that viewers can be attracted according to their preferences," he says

"Maybe there should be a regular slot with a drama or sitcom at 9pm on a Tuesday. Thus viewers would know that they can see this type of programme regularly

"The bonus would be that it is in a language they prefer. In this way we are ensuring that there is a variety catering for all tastes"

Sample groups

The schedules were worked out on this basis. It was tested with sample groups of viewers, amended where necessary and printed two weeks ago

The technocrats working on it expected it to be ratified by the board. Instead, the board changed its mind and proposed that schedules according to language blocks be introduced

The SABC's three channels are expected to be relaunched next February, a goal the board reiterated when announcing the change in plan

Managers, however, say this is unrealistic as new schedules will have to be sorted out. Worse still, timetables for buying programmes will not be met, which is likely to cause another delay

The relaunch has already been postponed from November 1. Matsepe-Casaburri, however, says management had given no indication there is likely to be a delay

Another serious concern for the

board and senior management has been a pattern of leaks regarding board decisions to the Afrikaans Press

When the decision was made on the language blocks on the evening of September 6, the daily newspaper *Beeld* was fed the information before the meeting was closed

It ran a front page story lauding the decision as a victory for Afrikaans, fuelling speculation that an Afrikaner had done this to ensure maximum publicity for the revised format, thus making it very difficult for the board to alter the new plans

"We are concerned that information is going out to certain media. When people leak information, they are being disloyal. There is an agreement that the board issues a statement after every meeting

"We can't muzzle members of the board. If they disagree with something we do, they are entitled to make their reservations known, as long as it is not in a manner that compromises a board decision"

Her concern is that board members should not be "intimidated" by lobby groups into taking certain positions

Special knowledge

"No one has transformed an organisation like this before, so none of us can claim to have any special knowledge," she says. "We are all grappling with policy and change"

Matsepe-Casaburri admits there is a battle for Afrikaans at the SABC and that Afrikaners have been the most vocal during debates on the language issue

But she emphasises that if anyone has reservations on any subject, they are encouraged to raise the matter

"Are people being sensitive only because it is the Afrikaners raising the issue of Afrikaans? Would anyone say anything if the Zulus asked about Zulu?"

"We are national leaders and sometimes that means we have to make decisions that are painful or unpopular," she says

"I have made it clear there is no problem with people raising issues at meetings, but they cannot come to board meetings and only bother about things like the language issue because Afrikaans newspapers are putting pressure on them to do something"

She has made her views known, she says, adding that she has a problem when people equate language with culture. "One of my home languages is Afrikaans and there are countless other African and coloured people who may speak the language at home

"Their needs must be catered for too. Why doesn't the Afrikaans print media articulate this?" she asks

“We are concerned that information is going out to certain media. When people leak information they are being disloyal to the board”

SABC proposes satellite TV bonanza

(260)

Star 29/9/95

The SABC unveiled its satellite television plans yesterday, saying it hoped to have at least 14 pay-TV channels on the air by the end of next year.

Chief executive Zwelakhe Sisulu told a news conference the plan included encoded pay TV and free-to-air channels.

"The SABC will compete aggressively for a substantial share of South Africa's satellite audien-

ces - likely to grow to a million homes in the next three years

"In this initiative, it will go head-to-head with whatever competitors operate in the satellite broadcasting sphere in South Africa. And it is confident it will hold its own."

The SABC planned to put two free-to-air analogue satellite channels in place by December this year and to provide eight

pay-TV channels by July 1996. By the end of next year it expected to have between 14 and 16 pay-TV satellite channels in place, which could later expand to 21 channels.

It had applied for interim permission to go ahead with its plans and was in talks with European and US companies on a range of foreign programmes, Sisulu said, but declined to elaborate - Reuter

Plantations in former TBVC states/self-governing territories: transfer

*5 Mr P W SAAIMAN asked the Minister of Water Affairs and Forestry †

- (1) Whether all plantations in the former (a) TBVC states and (b) self-governing territories have been transferred to his Department, if so, when, in each case, if not, which of these plantations have not yet been so transferred,

- (2) whether the Government has taken or will take any steps to effect the transfer of plantations that have not yet been so transferred, if not, why not, if so, what steps? N1211E

The MINISTER OF JUSTICE (for the Minister of Water Affairs and Forestry)

- (1) (a) No

- (b) No Plantations in the Northern Province were transferred to the Department of Water Affairs and Forestry during August 1995, whilst the plantations in the Provinces of Mpumalanga, Eastern Cape and KwaZulu-Natal have not been transferred yet

- (2) Yes Administrative teams of the Department are presently working in the Provinces to determine the extent and to expedite the transfer of personnel, finances and other resources. In some Provinces the transfer of personnel to the Department is expected to take place soon and will then be followed by the transfer of the plantations

Members of MK incorporated into SAPS

*6 Mr H A SMIT asked the Minister for Safety and Security †

- (1) Whether any members of MK have been formally incorporated into the South African Police Service, if so,
- (2) whether such members have indicated that they are satisfied with the ranks and salaries allotted to them, if so, what are the relevant details, if not,
- (3) whether he or the SAPS envisages any steps in this regard, if not, why not, if so, what steps? N1212E

The MINISTER FOR SAFETY AND SECURITY

- (1) Yes Some former members of MK, who were previously attached to DIS or NIA, have been incorporated into the South African Police Service

- (2) Some of these members accepted their proposal ranks and are already enlisted in their new positions. There are, however, others who refuse to be enlisted permanently in the proposed ranks because of their dissatisfaction with the ranks

- (3) Yes An Appeal Committee was established by the National Commissioner of the South African Police Service. Members who are not satisfied with their ranks can make representations to this Committee, for re-evaluation of their ranks

Conference on corruption/crime: President's speech

*7 Mr H A SMIT asked the Minister for Safety and Security †

- (1) whether, with reference to certain information furnished to the South African Police Service for the purpose of his reply, he will furnish the names of the persons to whom the President of the Republic referred to in his opening address during the conference on corruption and crime at the World Trade Centre at Kempton Park on or about 15 August 1995, if not, why not, if so, who are the persons concerned,

- (2) whether such persons are still in the employ of the SAPS, if not, what is the position in this regard, if so, what is their (a) position and (b) rank, in each case,

- (3) whether any action is envisaged against these persons, if not, why not, if so, what action? N1213E

The MINISTER FOR SAFETY AND SECURITY

- (1), (2) and (3) During the course of his address the President made some off-the-cuff remarks which did not form part of his prepared speech. I do not have a verbatim transcript of the remarks which he made

I do, however, recall that the President referred, amongst other matters, to the appointment process of Provincial Commissioners. He mentioned that some of the applicants had a record of criminal offences.

I do not know who the President had in mind when he made these remarks and am therefore unable to give the names of any individuals I do, however, know that 13 of the 212 officers who have by now been formally appointed to the South African Police Service, including Provincial Commissioners, do have a record of criminal offences. However, these were all offences of a trivial nature such as road traffic offences.

Dr P J STEENKAMP Mr Speaker, arising from the hon the Minister's reply, would he agree with us that we should implore the State President to stick to his script in future, because every time he deviates from it, there is trouble?

The MINISTER FOR SAFETY AND SECURITY Mr Speaker, I do not think the hon member expects me to take that question seriously.

Business interrupted in accordance with Rule 199(3) of the Standing Rules for the National Assembly

Pretoria/Durban: posts of chief magistrate/regional court president

*8 Mr D M BAKKER asked the Minister of Justice

- (1) Whether the post of (a) chief magistrate in (i) Pretoria and/or (ii) Durban and/or (b) regional court president in Johannesburg has become vacant or will become vacant in 1995, if not, what is the position in this regard, if so, when in each case,
- (2) whether any steps will be taken to fill these posts soon, if not, why not, if so, what steps? N1214E

The MINISTER OF JUSTICE

- (1) (a) Yes on 1 January 1996
(ii) Yes On 1 October 1995
- (b) Yes On 1 September 1995
- (2) Yes. However, I have been presented with conflicting views regarding the filling of

the posts. One view is that the Magistrates' Commission, as presently constituted, should be asked to submit recommendations after considering the names submitted in respect of posts already advertised.

On the other hand, representations were made to me by the Black Lawyers Association, the National Association of Democratic Lawyers and sections of the united Justice Department that the posts should not be filled on a permanent basis until the Magistrates' Commission has been restructured to make it representative. Their proposals is at, pending such restructuring, acting appointments should be made in the relevant posts.

I am considering the conflicting viewpoints and will make a decision in due course.

I may say that the Magistrates' Commission has been very co-operative and support the restructuring of the Commission. It awaits our direction.

Selling of SA Forestry Company (Safcol) (260)

*9 Mr P W SAAIMAN asked the Minister of Water Affairs and Forestry †

- (1) Whether the Government is considering selling the SA Forestry Company (Safcol), if not, what future is envisaged for Safcol, if so, what procedure will be followed in this regard,

- (2) whether the Government is considering any steps to prevent a monopoly on saw-logs from developing should Safcol be sold, if not, why not, if so, what steps? N1215E

The MINISTER OF WATER AFFAIRS AND FORESTRY

- (1) Safcol like all State Enterprises is going to be a subject of study by a Task Team dealing with the implementation process of the restructuring of State Enterprises. The options to be put forward by such a task team will decide for us the future of Safcol.
- (2) Anyone is at liberty to approach the Competition Board when a monopolistic situation occurs.

Hansard 13/9/95

~~PORIC~~

PUBLIC SECTOR - GOVT. - STATE ENTERPRISE

1995

OCT. - DEC.

SABC denies acting on its own

(260) bD 5/10/95
Ingrid Salgado

THE SABC board yesterday denied it had acted "unilaterally" in managing the integration of the former TBVC broadcasters into a single national service.

Board chairman Ivy Matsepe-Casaburri said the corporation had consulted all stakeholders, including the Independent Broadcasting Authority, other broadcasters and trade unions representing their staff.

The SABC had not been involved in a recent initiative by management of Bop Broadcasting to encourage staff to apply for retrenchment packages, she said.

"The SABC cannot take a position on retrenchments linked to integration until the issue has been fully discussed in the structures established to oversee and manage the integration process."

The SABC, with the Transkei Broadcasting Corporation, Radio Thoyoyandou in Venda and the Ciskei Broadcasting Corporation, had agreed

that integration be undertaken as a "matter of urgency", Matsepe-Casaburri said.

This would save taxpayers' money and put an end to uncertainty among staff of the former homelands' services.

Meanwhile, the board has ratified a draft education broadcasting policy for the SABC and would engage the education sector to ensure rapid implementation of its proposals.

The policy envisages an increase in education programmes on radio and television and supporting print material. Programming would be curriculum-based, directed at teachers, pupils, and adult basic education, with an emphasis on science and technology, she said.

This follows a collaboration agreement with the British Broadcasting Corporation last week on educational broadcasting. The BBC is to provide its own educational programming material to the SABC, but this would contain an SA emphasis.

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Bop media workers accept packages

500 to be laid off

By Abdul Mlazi
Labour Reporter

THE Bophuthatswana Broadcasting Corporation (BBC) is to retrench about 500 of its 756 workers in a restructuring move that is expected to cost the taxpayers an estimated R45 million.

According to an inside source, the restructuring process is likely also to include the Bop Development Corporation, Agrico and the province's Communication Services and affect more than 5 000 workers.

Media Workers Association of South Africa (Mwasa) shop steward Mr Sam Ramosa said 80 percent of the BBC staff accepted retrenchment packages for fear

of losing their jobs following the Independent Broadcasting Authority (IBA) announcement early this year that the country's broadcasting services are to be restructured.

This, he said, involves the integration of the SABC and broadcasting services of the former TBVC states.

In an official document on the planned restructuring, the BBC management points out that the process will affect mostly employees in "support services".

The document further charges that: "Following the implementation of the IBA report and the impending restructuring proposed therein, management envisages that a number of positions are likely to become redundant."

"This means that the positions which will not become part of the new National Public Broadcasting Services structure are to result in mandatory retrenchment."

The retrenchments, which the Media Workers Association of South Africa (Mwasa) describes as "lucrative", were offered to the workers as an option to being retrenched after the planned integration of the SABC and broadcasting services of the former homelands.

Mwasa shop steward at BBC Mr Sam Ramosa said more than 80 percent of the staff at the corporation opted for the retrenchments.

"The packages are so good that they are very tempting. Another contributing factor to the exodus is that workers are

uncertain about retaining their jobs in the new integrated broadcasting services," said Ramosa.

BBC production line manager Mr Shuang Motene (49) said: "I love my job, but losing it now is better than losing it later. Now the package is very good... if I am retrenched after the integration I will obviously get a normal retrenchment package."

According to the company's document, the package includes a one year's notice pay plus one month's salary for every year of service. Payment for partial year's service will be paid on a pro-rata basis.

The company document further explains that the reduction in the number of the corporation's opera-

tions was also to result in the company's integrated broadcasting services in other support services such as finance, transport and human resources.

However, Ramosa said the retrenched workers would continue working on monthly contracts until the new system was in place.

Meanwhile, the North West administration is paying more than R25 000 a month to former Bophuthatswana Development Corporation manager Mr Eddie Mangope, although he no longer works for it.

Eddie, son of former Bophuthatswana president Lucas Mangope, has been paid more than R400 000 since he was ordered to stop working for the BNDC in May last year.

SABC extension case

Star 9/10/95 (260)

■ BY MICHAEL SPARKS

The Independent Broadcasting Authority (IBA) held a hearing last week into an SABC application to extend its signal range for radio and television stations to remote areas.

In presenting the proposal to the IBA, the SABC's strategic planner, David Niddrie, said no objections to the application had been received. It was aimed at providing a service to outlying or rural areas where services were poor or non-existent.

While a number of the applications dealt with technical issues, others such as replacing the Menlo Park transmitter near Pretoria with a new one at Wapadrand, would mean Radio Ndebele and Radio Setswana would provide proper coverage to the large number of people in Mamelodi.

Niddrie said this transfer would be in keeping with the SABC's commitment to ensure 90% coverage of the country by its public service broadcasting services.

Viewers would have to re-direct their TV aerials to the Wapadrand transmitter for the best reception, but after being granted permission it would still take one year for the transmitter to be built and start operating.

Transmitters, already built at Nongoma in northern KwaZulu-Natal, would carry the TV1 and NNTV signals to areas including Ulundi, with a radius of about 30km.

Niddrie submitted that not granting the licences would cost Sentech R1-million a year over 15 years in lost revenue.

IBA co-chair Peter de Klerk said there were insufficient high-powered transmitters in many areas.

Atomic TV series halted by last-minute court interdict

ET 13/10/95 (260)

JOHANNESBURG: The Atomic Energy Corporation yesterday served an urgent court interdict on the SABC prohibiting it from transmitting last night's episode of

Die Laksman

Die Laksman is a locally produced fictional Afrikaans spy series produced by the acclaimed Jan Scholtz. It centres on atomic energy

Last night's episode was replaced by the nature programme Oorlewing

"TV1's information centre was inundated with calls from the public complaining

about the cancellation," spokesman Mr Johan van Rheede said

"Some said they would stop paying their television licences." — Sapa

Sacked manager to sue SABC

By ELIZABETH KINGHORN

Former SABC radio station programme manager Keith Lindsay is to sue the SABC for wrongful dismissal following the termination of his 5FM programme management contract on September 29.

Lindsay said this week he had decided to proceed with litigation "as a matter of principle."

It is not in my nature to be bitter and twisted about the SABC. I am, however, tired of the 'public broadcaster' mindset dictating to the commercial services 5FM and Radio Metro.

"The two stations, which should be the role models for future independent radio, are subjected to unfortunate and unacceptable management."

SABC declined to comment.

(260) Star 14/10/95

IBA can force witnesses to give evidence

(260) Star 14/10/95

The Independent Broadcasting Authority has been given the power to force witnesses to testify before its complaints committee, according to spokesman Thandi Davids. In addition, its broadcast monitoring and complaints committee will have the authority to issue subpoenas.

"Prior to these regulations being established, the committee could only request witnesses to appear at hearings. Consequently, the committee had difficulty executing its functions because witnesses refused to testify," she said.

The new regulations would improve the IBA's ability to deal with complaints during the local government elections.

■ The IBA's draft frequency plan for radio and TV was gazetted yesterday. Interested parties were invited to comment in writing to IBA, Private Bag X31, Parklands 2121. — Reuter

Greater powers given to the IBA

(260) ARG 14/10/95
JOHANNESBURG. — The Independent Broadcasting Authority (IBA) has been given increased powers which will allow it to force witnesses to testify before its complaints committee.

According to IBA spokeswoman Thandi Davids the extended powers will also authorise the body's broadcast monitoring and complaints committee to issue subpoenas for evidence in any case under review. "Prior to these regulations being established the committee could only request witnesses to appear at hearings. Consequently, the committee had difficulty executing its functions because some witnesses refused to testify," she said.

"The committee may now subpoena witnesses and require them to testify under oath and also has the authority to subpoena evidence that could shed light on the matter before it."

Davids said the new regulations were timely as they would improve powers to deal with complaints over the local government election.

The IBA's draft frequency plan for radio and television have been published in the Government Gazette. Interested parties may comment in writing to the IBA at Private Bag X31, Parklands, 2121. — Reuter.

Muslim community radio station has good reception

ARG 14/10/95 (260)

■ The launch of a Muslim community radio station is instilling a sense of belonging in a formerly disaffected sector of society.

MXOLISI MGXASHE
Staff Reporter

HUNDREDS of thousands of Muslims in the Western Cape who have for decades felt marginalised by apartheid are beginning to feel part of the new South Africa following the launching of Radio 786.

The station is one of about 11 independent community radio stations granted licences by the Independent Broadcasting Authority (IBA).

The Muslim station, run by a committee of 12 elected yearly, belongs to about 250 Muslim community organisations which form the Islamic Unity Convention (IUC) founded in March last year for the educational, cultural, welfare and religious needs of Islamic communities.

The launching date of the station coincided with Heritage Day activities on September 24, when a crowd of nearly 20 000 converged on Athlone's Vygieskraal Stadium.

The highlight of the occasion was a tribute to people who died in the cause of liberation, and prominent among those honoured were Steve Biko and Imam Abdulla Haroun, both of whom died in police cells.

The chief guest speaker during the Radio 786 launch was Libya's ambassador Abdulla el Zubedi, who called on the station to play a leading role in the unification of the local Muslim community and in the development of their economic stability.

"Our responsibility is to inform, uncover, enlighten and educate the communities and serve ordinary people. Radio 786 has been initiated by Muslims, but its interests will definitely go well beyond Islamic communities, and will cover all community problems and programmes," said Radio 786 public relations officer Garnief Hendricks.

When Saturday Argus visited the station in Rylands they had just had one of the typical community broadcasts dealing with the abuse of drugs and the negative impact this has on communities.

The station broadcasts from 5pm to mid-

night every other day at 100.4 Mhz. Programmes to be aired from time to time will include the birth and life of the prophet Muhammad.

Other events are the life history of other important Muslim personalities, recitals and translations from the Quran.

A whole week was devoted to the nurses' strike as part of the station's concern with

primary healthcare.

Issues around the Truth and Reconciliation Commission and how, according to Mr Hendricks, this body will not be able to meet the expectations of the families of people whose human rights were grossly violated, are regularly broadcast over Radio 786.

Mr Hendricks says personnel for the station will be trained on a three-month basis

and anyone interested is free to join the senters and technicians.

"The launching of this radio station is a long way in teaching the rest of South Africa about the Islamic faith and how teaching could help resolve some of the major and pressing social problems in South Africa in the post-apartheid era," Mr Hendricks.



Photo: JACK LASTRADE

■ **COVERING THE COMMUNITY:** Radio 786 staff with station public relations officer Garnief Hendricks, middle, in the studio.

NEWS

Broadcasting authority given power to subpoena

CT16/10/95 (260)

DAN SIMON
STAFF REPORTER

T.S.

THE Independent Broadcasting Authority (IBA) will in future be able to subpoena witnesses and compel them to testify under oath — failing which they could be prosecuted and fined R10 000.

The new regulations came into effect on Friday and give the IBA more power in policing community radio airwaves — particularly during the coming election period.

Till now the IBA could only request witnesses to appear at complaints hearings.

The complaints committee had

difficulty functioning because witnesses refused to testify. The new regulations give the committee the power to compel "recalcitrant witnesses" to appear.

It can also compel witnesses to produce documents and other material, IBA spokeswoman Ms Bronwyn Keene-Young said.

Recently complaints had been received that Radio Vryheid in the Free State had transgressed its licence conditions by broadcasting "party political" advertisements.

Radio Koppies had been found guilty of exceeding its broadcasting range by operating a second transmitter near Kroonstad.

Eskom back in world capital markets with Samurai bond

BY NEIL BEHRMANN

LONDON CORRESPONDENT

London — Eskom will be issuing a ¥20 billion (R727 million) five-year Samurai bond today.

Nomura Securities and Yamachi Securities will be the joint lead managers, according to officials at Nomura.

A roadshow, attended by a group of Eskom officials and headed by the executive director, Willem Kok, was held at a Tokyo hotel yesterday, according to the bond newsletter IFR.

This is Eskom's first return to the international capital market since 1992 when the utility issued a five-year DM300 million issue (R770 million at the present exchange rate).

Nomura and Daiwa control a third of the international yen bond-issuing market and two thirds of the Samurai market, according to IFR.

This is the second Samurai issue following the ¥50 billion (R1,8 bil-

lion) Republic of South Africa five-year bond that proved popular with Japanese investors in April.

Samurai issues are yen-denominated bonds that are raised in the Japanese markets and are mainly sold to Japanese institutions and wealthy private investors.

South African borrowers are now accepted in that market, so they can tap into the huge stock of Japanese savings.

On the international capital markets, known as the Euromarkets, large numbers of Euroyen issues were floated in the past few years as investors have favoured the strong currency.

The RSA Samurai issue was well timed for the borrower, since the yen has depreciated 20 percent against the dollar and about 18 percent against the rand.

But at present exchange levels of ¥100 to \$1, the risks to borrowers have increased — and will further increase if the rand weakens once again.

In the past decade, the yen has appreciated more than 200 percent against the rand.

Assuming the equivalent of R1 billion had been borrowed in Japanese yen 10 years ago, the government would be repaying about R2,7 billion today.

Moreover, interest payments would have increased annually. The loan burden on South Africa's Deutschmark and Swiss franc borrowings have also raised the country's foreign exposure and offset repayments in the past few years.

Several Asian nations that have borrowed in yen have been hurt by the unexpected size of the currency's appreciation. So much so that a study by Merrill Lynch said that large yen liabilities could curb growth of the nations.

Five-year yen bond yields, however, are only about 3 percent. Although there will be a premium, interest charges will be much lower than dollar and Deutschmark rates. Eskom is rated Ba3 by Moody's.

ET(BR) 17/10/95 (260)

SABC battles for series

(260) Nov 18/10/95

The Atomic Energy Corporation (AEC) asked the Supreme Court yesterday to bar the state broadcaster from showing a fictional TV drama featuring sales of atomic weapons, saying the show would harm its business image.

The AEC, guardians of South Africa's nuclear secrets, won an urgent court interdict last Thursday forcing the SABC to cancel screening of the third episode of the series *Die Laksman* (The Executioner), shortly before it was meant to be aired at 7pm.

The programme's characters dabble in the business of atomic energy and uranium enrichment and some buy nuclear weapons - under false pretences - from South Africa.

Each episode has been screened with disclaimers saying that no real names, dates or places were used and that the series was entirely fictional.

Yesterday, AEC Director Waldo Stumpf asked in an affidavit to the Supreme Court "that an interdict be granted preventing the SABC from screening *Die Laksman* on a weekly basis".

"It is clear that the

AEC is portrayed in an extremely bad light and that the corporation's business reputation and name, as well as mine, are prejudiced and damaged," Stumpf said.

He told the court the AEC had tried to negotiate with the SABC and Mineral and Energy Affairs Minister Pik Botha before bringing the court action to halt the show's screening.

Negotiations

"Attempts had been made to negotiate with the respondent not to go forward with the series in its current form. Negotiations involved, amongst others, Mr Pik Botha." He did not elaborate.

The SABC argued in papers to court that the AEC's attempts to limit its rights to freedom of expression and of artistic creativity contravened South Africa's interim constitution.

"It will be argued that the AEC is equivalent to an organ of state and as such cannot, in law, found a cause in action in defamation. It cannot sue the SABC which is also an organ of state," the broadcaster said.

"We will also contend

that the constitution applies to the present case under freedom of expression and freedom of artistic creativity. It will be submitted that the relief sought by the AEC violates the constitutional guarantee of freedom of expression."

The SABC said the TV series' plot was "extremely far-fetched and in the genre of an espionage fantasy", and added it would deny that the AEC was negatively depicted in the fictional show.

"The reasonable viewer would most certainly not attribute the conduct of the AEC as shown in the series as being remotely true or based on fact."

"The programme does not only purport to be fiction, but is fiction," the SABC said.

Judge President Fritz Eloff viewed the first three 45-minute episodes of the series yesterday afternoon.

He ordered that the press could not "disclose items of the series after episode two" - at the request of the SABC's legal team - until he had made a finding in the case. The hearing resumes today - Reuter.

Screening of series to go ahead

Stephané Bothma

PRETORIA — The Atomic Energy Corporation (AEC) has failed to keep a "clearly fictional" drama series about the supply of nuclear devices by SA to Iraq off local television screens.

The Transvaal Supreme Court ruled yesterday that the 13-part Afrikaans series Die Laksman was fiction and that no reasonable viewer would regard the "unlikely and improbable" events in the series as fact.

The AEC asked for a restraining order against the SABC to halt the screening of the entire series, arguing it was defamatory against the corporation and its CEO, Waldo Stumpf.

"To grant this order would be to impose a restriction on artistic creativity which cannot be allowed," Judge President Frik Eloff said. He found the names of the AEC and Armscor were

BO19/10/93 (260)
"merely referred to in the series to lend an air of dramatic reality to an otherwise unlikely affair".

He accepted the argument by the SABC's advocate Brian Pincus SC that the reasonable viewer was unlikely to interpret the fictional events as factual.

"The reasonable viewer would also not think that the AEC and Stumpf were guilty of the irregular dealing in nuclear devices," the judge found, saying the integrity of the corporation or Stumpf was not threatened.

He rejected an application for leave to appeal by the AEC and ordered the corporation to pay the costs of the application.

The AEC is still convinced that the initial decision to apply for an interdict was the correct one. The corporation "has acted in the interest of its right to freely engage in economic activity, protecting its own name and that of the CEO".

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Atomic corporation loses right to gag SABC

5/19/10/95 (260)

PRETORIA: In a ruling that has implications for press freedom the television series, Die Laksman, has been granted a reprieve and will again be broadcast tonight on TV1

This follows Mr Justice C F Eloff's dismissal of an application by the Atomic

Energy Corporation (AEC) yesterday to stop further broadcasting of the series.

AEC chief executive Dr Waldo Stumpf said in court documents the series put the AEC in a bad light.

The broadcaster said the relief sought by the AEC violated the consti-

tutional guarantee of freedom of expression.

Justice Eloff said the AEC and Stumpf's application failed because their integrity, as well as that of the relevant government minister were never under threat — Sapa

BROADCASTING CONTROL

A new inquisition

Further evidence that the Independent Broadcasting Authority Act is a shoddily constructed piece of work with totalitarian aims was provided by last Friday's *Government Gazette*. It contains details of new powers acquired by the Broadcasting Monitoring & Complaints Committee (BMCC).

The committee was legislatively created by the IBA Act. Though one of its councillors William Lane says it is "virtually independent" of the authority, the latter, he reveals, provides its office staff and appoints all but one of its members from nominees with no previous broadcasting experience. The exception is IBA co-chairman Peter de Klerk. The committee's chairman is Jules Browde, a senior counsel and acting judge.

The committee's tasks are laid out in the IBA Act. They include monitoring compliance by broadcasting licensees or their adherence to:

- The terms, conditions and obligations of their broadcasting licences;
- The Act's code of conduct,
- The Act's requirements concerning party political broadcasts and political advertisements, and
- The equitable treatment of political parties by broadcasters during an election period.

It is concern over the latter, with local elections only a fortnight away, that seems to explain the committee's newly gazetted powers. A media release from the IBA says they will include that of subpoenaing witnesses to appear before it and compelling them to testify under oath. Refusal to do so, says Lane, could be punished in a court of law with a fine of up to R10 000.

He defends that draconian measure by observing that both the Medical Council and the Law Society's disciplinary committee are empowered to compel people to act as witnesses. Media lawyer David Hoffe, of Bell, Dewar & Hall, retorts that the seriousness of the matters investigated by those two professional bodies is likely to be far greater than anything coming before the BMCC.

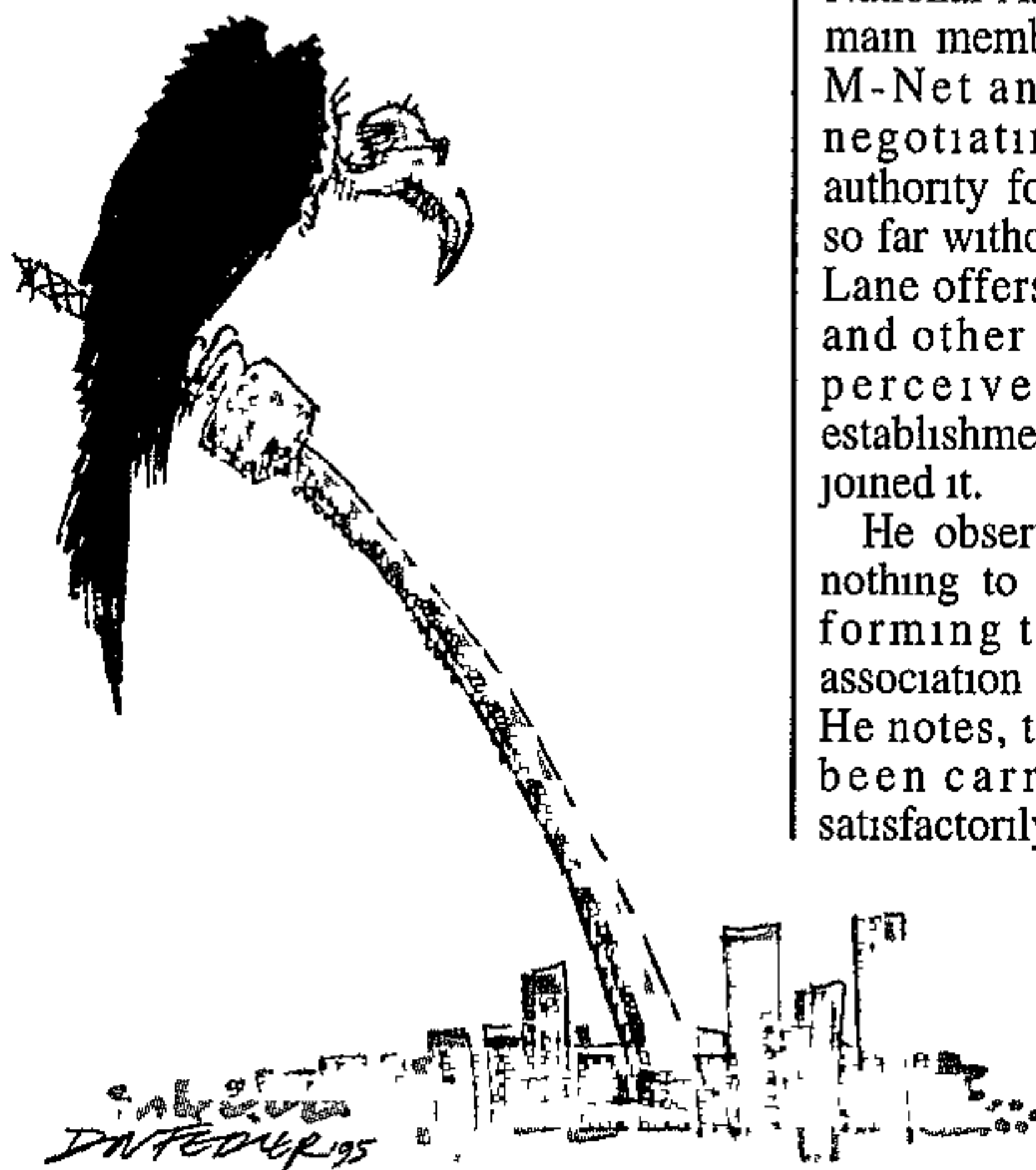
Not so, replies Lane. "A broadcaster who ignored the provisions of his licence could cause mayhem on the airwaves by interfering with other broadcasters' signals, causing them vast damage."

But why force anyone to appear as a witness before the committee, which is not, after all, a court of law? The IBA Act empowers the authority to inspect and

(260) FM 20/10/95
make copies of any broadcasting station's records it deems pertinent to a complaint, and to inspect its equipment.

Lane recognises that anyone accused of not observing the requirements imposed on a broadcasting licensee would have a common law as well as a constitutional right not to say anything that could lead to self-incrimination. That right could also, of course, be claimed by any employee of such a broadcasting operation.

There is, in other words, a confusion in the powers given in this regard to the BMCC between accused and witness. And, Lane reveals, if an individual does refuse to appear before the committee, the latter can



do no more than hand the matter over to the police, who would then take it to the public prosecutor who would have to decide whether to bring the matter to court.

"We wouldn't start up that sort of palaver over a trivial matter," Lane observes. By the same token, however, what sort of case could be brought by a complainant if it depended on an unwilling witness?

Lane likens the BMCC to the Press Council. But, Hoffe points out, the latter is a voluntary, not statutory, body. Members of the Newspaper Press Union formed it, drew up a code of conduct and gave the council power to compel members to observe it. Any newspaper that doesn't like it, says Hoffe, can resign

from the union. But broadcasters cannot escape the power of the committee.

That's not altogether true, replies Lane. If another broadcasting code of conduct is drawn up by a voluntary association recognised by the IBA, then members of that association would escape policing and disciplining by the committee so far as the code of conduct is concerned (trespassing on someone else's frequency or making a profit while purporting to be a community radio station would still expose a broadcaster to IBA penalties).

Such an association already exists. It's called the Broadcasting Monitoring and Complaints Commission of SA (BMCCSA) and was formed by the National Association of Broadcasters, the main members of which are the SABC, M-Net and Radio 702. It has been negotiating for some time with the authority for the latter to recognise it — so far without success. Part of the reason, Lane offers, is that community stations and other independent broadcasters perceive the commission as "an establishment operation" and so have not joined it.

He observes, however, there would be nothing to stop community broadcasters forming their own self-regulatory association with its own code of conduct. He notes, too, that the commission has been carrying out its task "quite satisfactorily."

It remains to be seen whether anyone will challenge the witness-compelling powers of the authority's BMCC. Being subpoenaed as a witness — at least when committed by a body which does not have

the legal status of a court — could amount to "a gross violation of one's freedom," Hoffe says, and be open to challenge in the Constitutional Court as unreasonable and unjustifiable in a democratic society.

Subpoenaing witnesses is, however, merely a means to an end, and it is the latter that should give greater concern. "There is an essential difference," Hoffe believes, "between the professions such as medicine and law and working in the media. It is the difference between needing formal qualifications and unregulated entry. To have a statutory regulating body for even one section of the media raises the spectre of

Theo Rawana

Eskom launches master artisan programme

A MASTER artisan school, designed to provide SA artisans with extended training based on the principles of the German Master Artisan Programme, was launched at Eskom's Training Centre at the weekend.

The school, the first of its kind in Africa, would provide a qualification which was internationally recognised, enabling

holders to work as master artisans, managers and trainers.

SA programme co-ordinator Danie van Wyk said the newly opened school, run by master artisans employed by Eskom and trained in Nuremberg, was open to all South Africans.

A pilot programme with 20 students would

start on October 30, and the first group of trainees would include people from several organisations in the public and private sectors.

Instruction would be given at Eskom's training college in Midrand, the Unisa School of Business Leadership, technical institutions and various industrial sites.

Master artisan Sean Cook said Eskom had provided funds for the programme, but the European Union had been approached to fund black candidates with no income. The course would consist of seven to nine months' full-time training, followed by two to five years' part-time training.

EBD 23/10/95 (179) (260) (25)

ES LIMITED

T HOLDERS

August 1995 are as follows:

ANCE SHEET

	Unaudited 31 Aug 1995	Audited 28 Feb 1995
	996	816
	23	11
	167 510	136 992
	168 529	137 819
	155 948	132 584
	-	18
	324 477	270 421
PITAL		
nes	331 010	306 789
	400	267
	(6 933)	(36 635)
	5 511	19 690
	12 444	56 325
	324 477	270 421
	99 624 992	81 581 469
unit	169	169

ely R11-million which will be funded by borrow-

r of the City Council of Pretoria in respect of elec-
to approximately R1-million

which are secured loans of R156-million
ute 47 percent of the portfolio

ond six month period is that profits will be
month period under review. In view of the
iyable and renovation and repair costs
d earnings per linked unit forecast in the
ay not be achieved. It is, however, antici-
al reduction in vacancies should result in
profits for the year ended 28 February

S Lewinsky, Managing Director

YMENT NO 3

5,53 cents per debenture (totalling 5,64
ks of the company at the close of business
r 1995 to 19 November 1995, both days

24 October 1995

Transfer Secretaries
Pollack House, 440 Louis Botha Ave, Highlands North
Box 722, Highlands North 2037, Tel (011) 640-5081

Manuscript (Pty) Ltd

Union in dispute with chamber on education

~~(24) (200)~~ 6D 25/10/95

Renee Grawitzky

THE National Union of Mineworkers was still in dispute with the Chamber of Mines over paid time off for adult basic education and training, NUM education co-ordinator Gino Govender said yesterday.

The union would put pressure on government to ratify International Labour Organisation convention 140.

Speaking at the signing of the Adult Basic Education and Training Agreement with four Randgold mines, Govender said this issue would be referred to Cosatu for discussion. Convention 140 refers to paid educational leave.

The agreement is similar to the one signed this week with JCI.

It covered 30 000 workers and provided for paid time off for training related to operational re-

quirements, as requested by management.

As with the JCI's earlier agreement, this agreement provided for the mine-level committees — comprising equal worker and management representation — to be involved in the budgeting process for the programme.

Randgold said the agreement formed a part of a long process moving towards real partnership with labour on marginal mines, and to ensure career development of workers.

Randgold human resources director Richard de Villiers said the four mines' teams of negotiators, which are co-ordinated through the head offices of the NUM and Randgold, had concluded the negotiations. This was in line with the decentralised strategy of the company on decision-making, De Villiers said.

New representative board to assist in reshaping HSRC

PRETORIA — The new representative Human Sciences Research Council (HSRC) board was announced by Arts, Culture, Science and Technology Minister Ben Ngubane yesterday. ~~(24) (260)~~ 6D 25/10/95

He said the new board of 10 members would ensure that the HSRC's research was objective and relevant, that it addressed socioeconomic problems and promoted equity in its approach.

The board would assist the ministry in restructuring the HSRC and would have to align its activities with the goals of the reconstruction and development programme, he said.

University of the North vice-chancellor and rector Njabulo Ndebele has been appointed chairman of the new board.

The other members are Anglo American executive director Michael O'Dowd, Elwil Beukes from Free State University, National Economic Development and Labour Council chairman Jayendra Naidoo and Moitsadie Moeti of the Free State Technikon.

Making up the rest of the board are Francis Bosman from the justice department, Mapule Ramashala from the Medical Research Council, Zululand University representative Lindisizwe Magi, Wilmot James from the Institute for Democracy in SA and Centre for Development Analysis executive director Themba Sono.

Ngubane said he was satisfied with the board as there was a balance between youth and experience as well as gender representativeness. — Sapa

New board for the HSRC

PRETORIA. — The new representative Human Sciences Research Council board has been announced by Arts, Culture, Science and Technology Minister Ben Ngubane.

In a statement in Pretoria he said the new board of 10 members would ensure that the HSRC's research was objective and relevant, addressed socio-economic problems and promoted equity in its approach.

The board would assist the ministry in restructur-

ing the HSRC and would have to align its activities with the goals of the reconstruction and development programme, the statement said.

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Advocate Francis Bosman from the Justice Department, Dr Mapule Ramashala from the Medical Research Council, University of Zululand representative Professor Lindisizwe Magi, Dr Wilmot James from the Institute for Democracy in South Africa and Centre for Development Analysis executive director Professor Themba Sono make up the rest of the new board.

State sell-offs plan on target

PRETORIA. — The government is to go ahead with plans to restructure state assets, which could include full or partial privatisation of some enterprises

Minister for Public Enterprises Stella Sigcau, announcing plans yesterday to submit an interim report to the cabinet on December 6, said no options had been ruled in or out. **ARG 26/10/95**

"Those decisions have not yet been made. All ideas are welcome and no options are ruled out," she told reporters

The government outlined guidelines for restructuring state assets in August which acknowl-

edged the importance of the private sector, but stopped short of calling for outright privatisation.

During 1996 six task teams will define final options with the cabinet deciding on the best course for each enterprise on a case-by-case basis, Ms Sigcau said.

To assist, her department would evaluate the need to hire external advisers, including international investment bankers.

But South Africa would not be swayed by dogma. "We will find solutions unique to South Africa rather than simply importing other models and applying them uncritically," she said — Reuter.

THURSDAY
OCTOBER 26, 1995

COMMERCIAL LICENCES DELAYED

Sale of radio stations could take 9 months

JOHANNESBURG: The IBA may only allocate commercial licences once the sale of six SABC radio stations has been completed. This could take nine months.

THE sale of six of the South African Broadcasting Corporation's regional commercial radio stations had started, but could take up to nine months, SABC radio chief executive Mr Govin Reddy said yesterday.

Replying to questions at a media briefing here, Mr Reddy said he thought the allocation of the first commercial licences to independent broadcasters would coincide with the sale of the SABC stations.

But he emphasised that the Independent Broadcasting Authority (IBA) was in control of licence allocations.

He said the IBA was closely involved in the sale of the radio stations and Investec Bank had been engaged to help establish the market value of the established brand names, frequencies and radio audience figures.

The IBA has already allocated some 80 community radio licences, but indicated recently that commercial licences would still take some months.

Mr Reddy identified key differences between the SABC and the IBA. In a recent report the IBA recommended that eight regional stations, including Radio Lotus and

(260)
CF26/10/95
Good Hope FM, be sold.

The SABC wanted to retain these two stations as part of the public service portfolio.

"Selling these stations would be to sacrifice the listeners to commercial imperatives."

Mr Reddy said the SABC was concerned at the IBA's "lukewarm" response to plans for a nationally broadcast youth station. He said the IBA had been consulted on this.

On the SABC's affirmative action programme, he said the racial profile among staff was 54,8% white and 45,2% black.

"We expect to reach our goal of a 50/50 race profile by the end of 1997, and are in the process of setting goals for our gender composition" — Sapa

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FM 27/10/95
BROADCASTING

IBA's flagging pace

Nineteen months after its creation, the Independent Broadcasting Authority has issued more than 80 licences for community radio, but not a single licence for private (commercial) radio.

Time is running out if co-chairman Peter de Klerk is to meet his forecast that the first of these licences would materialise no later than "early 1996".

Solid Gold Radio's Gavin Kennedy asserts there's no hope he'll make it. The IBA, he says, has to create an application form for those licences, then publish it for public comment. The earliest, therefore, an application could be made, he says, is mid-December.

CURRENT AFFAIRS

The IBA would then vet applications, and the names of those that passed its examination would be published in the *Government Gazette* for public comment — together taking at least a further six weeks. Then public hearings on the applications would have to be organised and held.

"Even if the IBA dropped everything else now and started on the private radio application process, I can't see the first licences being issued before the beginning of April," says Kennedy. "By then the IBA will be two years old. If I were an IBA councillor, I would be ashamed that in that time not a single private broadcasting licence had been issued."

Nor would the alternative of buying radio stations from the SABC be any speedier. Tenders would have to be held, and bids debated in terms of black economic empowerment and cross-media ownership. The successful bidder would then have to apply for a private licence from the IBA.

It will, of course, be impossible for the IBA to busy itself solely with the licensing of private radio stations. Kennedy points out that the first community radio station came on the air on March 1. By end-July there were 41. They were given one-year temporary licences and warned that, if they wished to obtain permanent (four-year) licences they would have to apply no later than three months before their temporary licences expired.

That adds up to a huge task for the IBA because temporary licences will not be automatically converted into permanent ones. Time-consuming public hearings will have to be held on licence applications. And they are unlikely to be mere formalities if Kennedy's allegation holds water that some community stations are thinly disguised commercial operations.

The IBA will no doubt be spending still more time discussing how it can control satellite broadcasts, no matter from where they emanate.

Meanwhile, Kennedy points out that the IBA may have been acting illegally ever since it lost two of its eight councillors. They were never replaced, though the IBA Act stipulates the number should be eight (or seven if there is only one chairman).

An IBA councillor says Minister of Posts & Telecommunications Pallo Jordan and the relevant parliamentary standing committee were advised of the need to fill those vacancies when they occurred, but so far nothing has been done about it. He points out, however, that the Act says no more than that a quorum of councillors "for any meeting of the council shall be a majority of the total number of councillors".

He does admit, though, that it doesn't help being short of two councillors for month after month. "There is far more required of councillors than was ever contemplated by the framers of the Act."

Molefe announces two-year moratorium

Tug-of-war over Bop broadcaster

Star 27/10/95 (260)

■ BY MICHAEL SPARKS

North West Premier Popo Molefe hopes to retain the Bophuthatswana Broadcasting Corporation as a provincial broadcaster, which would negate retrenchment packages set to cost more than R400-million.

The controversial retrenchment deals were agreed to by MEC for Broadcasting Rian de Wet, who resigned yesterday under pressure to do so.

Molefe described the packages as "unauthorised and contrary to all known labour packages in South African history". According to industry sources, the packages comprised one year's salary and one month's pay for each year of service. The deal was due to take effect at the end of this month.

De Wet had allegedly not informed the provincial cabinet about the deal for more than 700 employees at the broadcaster, including a package for director-general Solly Kotane, who would get 14 months' pay after only 18 months in the job - he is on his way to a senior post in government communications. Kotane was involved in negotiating the

R400-million retrenchment packages were not authorised says premier

packages with De Wet.

Molefe announced a 2-year moratorium on the retrenchments, and said his government "disagrees vehemently with the actions of the BBC management".

"Their actions contradict the interests of the provincial government and the people by allowing such large-scale unemployment."

He also accused the SABC of arrogance and adopting a "big brother attitude" in its dealings with Bop Broadcasting and other former homeland broadcasters in the negotiations on integration.

Molefe's spokesman, Willie Modise, said that while the proposal for a provincial broadcaster went counter to the recommendations of the Independent Broadcasting Authority (IBA), the constitution did not rule it out.

However, IBA co-chairman Peter de Klerk said this week that Molefe had "been asked categori-

cally by the IBA, and had given the assurance that the integration process with the SABC would continue". Bop Broadcasting would not become a provincial broadcaster, he said.

SABC acting head Govin Reddy, who has been in negotiations with Molefe and the management of Bop Broadcasting, said "It was very clear that there were serious cleavages between the government and management, and this development does not come as a total surprise".

Reddy said he was "very surprised" at the high cost of the retrenchments as, when the SABC had retrenched 550 people, it had cost the corporation R40-million.

Kotane said he had applied for the retrenchment package before his new appointment.

He said he had been in negotiations with De Wet, and had presumed she was discussing the issue with cabinet members.

"I thought I was implementing government policy," he said, adding that retrenchment notices had already gone out.

Workers at Bop Broadcasting are said to be very upset about the last minute retraction of the packages.

Molefe opposes IBA proposals

JOHANNESBURG: North-West Premier Mr Popo Molefe said yesterday his cabinet wanted a moratorium on retrenchments in the Bophuthatswana Broadcasting Corporation, and would appoint a team to ensure "quality" services.

Under the recommendations of the Independent Broadcasting Authority, Bop Radio and other former homeland stations are to be merged with the SABC.

But Mr Molefe said his cabinet, opposed the Bop-BC retrenchments begun for the planned mer-

ger and wanted them halted for at least two years.

He said the cabinet had initially given qualified approval for the rationalisation of 288 jobs, but ministers had changed their minds after receiving legal advice.

"The legal opinion obtained by (Bop-BC) management confirmed that legislation would have to be introduced nationally and provincially in order to dissolve Bop-BC."

Mr Molefe said packages in excess of R400 million had been granted to retrenched Bop-BC

workers, but did not say how many people had already lost their jobs.

He said he wanted to maintain Bop-BC's services, adding that "a parliamentary task force will assist the process of ensuring quality services, assisted by the director-general of the province."

● In Mmabatho, SA's youngest provincial minister, North-West Broadcasting, Arts and Culture Minister Ms Riani de Wet, 27, has resigned, citing inexperience and incorrect decisions as the reasons.

— Sapa-Reuter

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Community radio is but one local media option

BERNIE RAYNER, media planner at Mundels, adds his comment to the debate on community radio stations

"Five got this wonderful new medium. millions of listeners. Don't know who they are, but everyone's listening. You must be crazy not to book tons of advertising."

The scene described above is played out daily in the offices of many media decision-makers countrywide. Enthusiastic would-be media entrepreneurs are often incredulous when agencies don't book space or time in their new medium.

After all they have (according to themselves) the finest new media opportunity since Noah's Ark. They can't believe that media plan-

ners and buyers are not overly keen to take advantage of their awesome opportunity — even though they have no track record, no research, and often little understanding of the market they propose to reach.

Perhaps these individuals should pay more attention to how advertising is bought and how media works before presenting their proposals. It's a fact that some 8 in 10 new media opportunities will not be successful.

Just because one magazine is successful in a given market, doesn't mean there is scope for a second publication aimed at the same market. Some weeks ago in the Saturday Star Media & Marketing section, Alan Munro of SMARt FM responded to an earlier article of mine on advertising on community radio stations. Such response is

good and proves that this section of the newspaper is well read.

His article implied that media planners and buyers do not know what they are doing by not supporting new media. This may be true in some cases, but at Mundels we welcome new, exciting and innovative opportunities. We have a good record of supporting and recommending these after thorough evaluations. I suspect that most reputable advertising agencies have a similar viewpoint.

Mr Munro's article is almost libellous, inferring that ad agencies and media departments specifically waste client's money. Be this as it may, the article reflects a poor understanding of the media industry, which is sadly evident among many new media opportunists.

To claim that community radio is the biggest event since television

Mr 28/10/95 (260)

is laughable. What about the Internet and satellite television? In any case local radio is old hat in other countries. In fact, satellite digital audio, featuring numerous commercial-free, DJ-free music channels is now the leading edge of radio. South Africa has always had a good national radio network, (courtesy of the SABC monopoly), but the country has almost missed the boat in local terrestrial radio as new technology sweeps the world.

If Mr. Munro had bothered to look at the overseas markets, he would have seen that small radio stations in these areas rely on local, not national branded advertising for revenue. Why should South Africa be different?

Mr Munro asks how we can ignore a local radio station that provides penetration of a local community. A local radio station is

but one media option within an area. There are also knock and drop, local newspapers which deliver far better penetration than local radio. Community radio is but one element of the media mix.

When responsible media owners launch new media they are prepared to invest in them for a long period of time. This should be the case with local radio. New stations should be prepared to carry themselves until they are proven. As much as a person won't buy a new car without test driving it, responsible agencies will not irresponsibly waste client's money on media.

Mr Munro makes the point that 50% of any ad budget is effective and 50% is wasted. At Mundels we make sure that 100% of the budget is working, which is why we choose media that perform effectively, or that have good chances of success.

We welcome new media opportunities, but we insist that they are professional and have a good chance of success. It would be irresponsible for an advertising agent to gamble a client's money on unproven and unsubstantiated gut feel. This is not to say that gut feel is not part of the media decision. It is, but only a professional can separate the good potential from the bad. New media owners should also have the courage of their convictions — they should guarantee audiences and set up trust funds to cover these guarantees.

Mr Munro accused me of being a "number-cruncher". Unfortunately SMARt FM doesn't have any numbers to crunch at this point. In any case community radio will always be small media with small audiences of primary use to small localised advertisers.

Kotane cries foul at Popo

(260) (36/10/95) Sowetan 36/10/95
Premier Popo Molefe says there is no justification for mass retrenchments

NORTH WEST premier Mr Popo Molefe had been misled into believing the large-scale Bophuthatswana Broadcasting Corporation retrenchments would cost R400 million, suspended BBC chief Mr Solly Kotane said at the weekend.

"I was amazed by such a statement. The retrenchment packages amount actually to R83 million," Kotane said.

Kotane was suspended on Friday by acting MEC for broadcasting Mr Molefi Sefularo and is due to face a disciplinary hearing today. The provincial government has accused Kotane and former MEC for broadcasting Ms Riani de Wet, who was forced to resign last Wednesday, of acting unilaterally in negotiating retrenchment packages with 710 BBC employees.

Earlier this week Molefe told reporters there was no justification for the retrenchments which would cost the provincial government R68 million and central Government R300 million.

He promptly announced a two-year moratorium on all retrenchments, taking BBC employees who were due to leave the corporation on October 31 and had taken up new positions completely by surprise.

Kotane said the confusion about the actual payout figure may have arisen because of a shortfall in the employee pension fund, the Sefalana Employment Benefit Organisation.

The shortfall would have to be made up over the next 35 years.

"I do not agree that our retrenchment payments are excessive. When the SABC had retrenched 400 staff at R45 million earlier this year, the pension payouts had not been an issue.

Moreover the BBC was retrenching more than 700 employees, 300 more than the SABC," Kotane said.

The retrenchments had been carried out "in the most transparent manner possible with consultation with the North West government at each stage," he added.

On allegations he had retrenched himself, he said "this is nonsense. I was retrenched by Riani de Wet". — Sapa

Last-minute reprieve for North West radio

□ Troops stand by at talks on R400-m retrenchment package
ARG 1/11/95 (260)

MMABATHO. — The Bophuthatswana Broadcasting Corporation secured a shaky reprieve last night when employees agreed to continue working today, but reserved their right to institute legal action to force the North-West government to pay retrenchment packages.

BBC employees earlier threatened to cut broadcasts at midnight, even while their representatives were trying to find a solution to the retrench-

ment dispute.

In terms of an earlier agreement, employees' contracts were due to expire at midnight yesterday and the corporation would have ceased to exist.

Troops were temporarily deployed at the BBC's offices in Mmabatho at about 11 pm, but were recalled shortly afterwards.

A SA National Defence Force spokesman, Colonel Jan Pretorius, said the deployment was to contain a possible outbreak of violence. Their presence was "merely a precautionary measure".

The late night agreement followed a full day of negotiations between North-West government officials, led by acting broadcasting MEC Molefi Sekulalo, and worker representatives.

The BBC staff were demanding retrenchment packages totalling R400 million from the North-West government, although premier Popo Molefe last week said there would be no mass retrenchment of BBC staff.

Mr Molefe said the retrenchment packages had been promised by BBC director-general

Solly Kotane, and been approved by former broadcasting MEC Riani de Wet, but neither official had been authorised to strike such a deal.

Early today Mr Kotane agreed to forego the more than R500 000 retrenchment package he granted himself, North-West director-general Job Mokgoro announced.

Mr Kotane was suspended last week for unilaterally agreeing to the R400-million retrenchment packages, which included a gross package for himself amounting to R596 118.

— Sapa

TV workers pull plug on Northwest's govt

(260) 1/11/95
MMAABATHO — The Northwest government's pre-election message was apparently sabotaged as it was being broadcast by the Bophuthatswana Broadcasting Corporation last night, threatening an agreement between the provincial government and corporation workers.

The live broadcast was apparently interrupted when footage of an earlier public row between a provincial government delegation and workers was shown instead.

At the time, provincial government officials, led by acting broadcasting MEC Molefi Sefularo, were locked in discussions with worker representatives to solve a retrenchment dispute.

Earlier, the SABC announced it could not provide full coverage of the poll in Northwest today, following the unresolved dispute between the provincial government

and Bophuthatswana Broadcasting's management and staff.

SABC acting CE Govin Reddy said facilities and staff from other provinces would be deployed to provide limited coverage of the Northwest poll.

Staff are demanding retrenchment packages totalling R400m. Premier Popo Molefe has said there will be no mass retrenchment. Last week he said staff had been promised retrenchment packages by officials not authorised to do so.

He said the Northwest government did not recognise packages agreed to by management and staff and approved by former broadcasting MEC Rian de Wet.

Yesterday hundreds of employees angrily questioned the government delegation. Posters likened Molefe to the president of the former homeland, Lucas Mangope.



On his campaign trail, Minister without Portfolio Jay Naidoo stopped off at Alexandra Community Centre where he spoke to residents about the reconstruction and development programme on AlexFM. Picture NICKYDE BLOIS

Homeless to be given land

MORE than 1 000 people who lost their homes as a result of political violence in Alexandra, Sandton, would get land to live on by next year, Minister without Portfolio Jay Naidoo said yesterday.

On a tour of the suburb, he visited a home for mentally handicapped children, the Helen Joseph women's hostel and some of the displaced families.

The 750 families who lived in the former Beirut area of Alexandra have been living in community and church halls for the past four years after clashes between the ANC and the IFP left them homeless.

"I have been acutely aware of the problems that these families have faced," Naidoo said.

"It has taken time to negotiate a way forward, and I am very pleased that I could break this good news to the people involved today."

Naidoo gave no details of where the families would be relocated, for fear of land invasion. — Sapa.

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Financial implications 'staggeringly high'

Bop retrenchment packages stopped

BY MICHAEL SPARKS

Tempers ran high at the Boputhatswana Broadcasting Corporation (BBC) when staff were told by Acting Broadcasting MEC Paul Sefularo that they were not eligible for retrenchment packages scheduled to take effect at the end of work yesterday.

Broadcasting MEC Riani de Wet was recently forced to resign after she and management agreed to retrenchment packages for 710 workers amounting to more than R400-million.

Station head Solly Kotane was also suspended last week after it became clear he had negotiated a retrenchment package valued at R596 000 for himself despite having worked at the station for only 14 months.

In addition, Kotane had a new job lined up for himself as head of the SA Communications Services.

To retrench almost the entire staff would inevitably have led to the closure of the corporation



Riani de Wet ... resigned.

This had not happened because the broadcaster was a public asset, Sefularo said.

"It cannot simply be closed down unilaterally at the behest of management or staff," he said.

"Management responsible for the retrenchment plan have acted on the assumption that there is no future for the BBC in the restructuring of public broad-

casting, which was not a view shared by the government of the province," Sefularo added.

He said the "staggeringly high" financial implications of the retrenchment package "raised very serious concerns".

The retrenchment packages "bear no relation to contracts of employment, which provide for a far lower package - one week's salary per year of employment", he said.

The controversial agreement, which has been rescinded, makes allowance for one year's salary plus one month's salary for each year employed.

"The packages are far in excess of generally accepted severance packages," Sefularo said.

In his staff address Sefularo stressed there was no basis for staffers to believe their employment had come to an end.

He added that those who did not report for work as normal today would face disciplinary action.

(260) (at BBC)
Star 1/11/95

Broadcasters drop threat

Sowetan 2/11/95
(266) (260)

By Abdul Milazi

DESPITE their threat to boycott the local government elections, workers at the North West Broadcasting Corporation assisted the SABC in covering the local government elections in the province

The local television channel did not broadcast the elections but the radio station gave on-the-spot coverage of the situation

Assisting

An SABC official at the Mmabatho Civic Centre said more than 10 of the NWBC staff were assisting the SABC around the province.

On Monday about 710 NWBC workers threatened to boycott the elections if North West premier Mr Popo

Molefe did not reverse his decision to declare a two year moratorium on retrenchments

A meeting between the provincial government and the disgruntled workers to resolve the matter on Tuesday failed to produce results

Retrenchment

The former Bophuthatswana Broadcasting Corporation employees were earlier offered the option to take retrenchment packages before the BBC merged with the SABC. More than 500 opted for retrenchment, which would have been too costly for the provincial government.

Molefe then declared a moratorium on retrenchments. The provincial government has since offered reduced retrenchment packages.

BopBC 'superb training facility'

(260) ~~(260)~~ Star 2/11/95

The superb equipment and infrastructure at Mmabatho are priceless assets that still have important roles to play, writes Graeme Addison

Mmabatho is one of those places that hits the headlines only when there is a crisis. It happened last year during the Bop uprising which unseated the homeland's president, Lucas Mangope.

Another crisis suddenly propelled the place into the headlines again last week. On Wednesday it emerged that the management at Bop Broadcasting Corporation (BopBC) were shutting down operations and retrenching several hundred staffers without, it is claimed, the knowledge or permission of the provincial cabinet.

The Minister of Public Media in the province, Ruan de Wet - who had earlier been accused of misuse of state funds - was forced to offer her resignation. In short order after that the Director-General of BopBC, Solomon Kotane, was suspended pending an inquiry and disciplinary hearing scheduled for this week.

The future of the massive, under-utilised facilities of BopBC are a major headache for the provincial premier, Popo Molefe. Last month the Independent Broadcasting Authority (IBA) released its long-awaited report recommending, among many other topics, that BopBC should be amalgamated with the SABC.

The management at BopBC appears to have acted with precipitate haste to implement this recommendation

tion - although neither the local cabinet nor Parliament in Cape Town have so far pronounced on the matter.

Management went ahead with plans to put about 300 of the 750-odd staff out of their jobs and reduce local expenditure on TV production in a capital city already suffering from massive retrenchments and cutbacks in the public and private sector.

Management entered into an agreement to cover the local government elections jointly with the SABC, and it was widely rumoured that BopBC's two television channels and its radio stations would cease to exist by the end of the year.

Even relatively well-informed observers were taken aback by the seeming haste with which the IBA's findings were being implemented. Earlier this year I personally was appointed to a technical task group that met at BopBC to discuss the future of the corporation. I was given insights into management thinking, and gained the impression that they were not in favour of amalgamation.

Yet suddenly they were all for it. The retrenchment packages on offer were so handsome that, reportedly, nearly every member of the Bop Broadcasting staff applied to go.

But the matter became a hot potato for the North West government on the eve of this week's Local Government elections.

North West Government negotiators were locked in discussions with employee representatives most of Monday and Tuesday over the retrenchment packages already on offer by Kotane. The moratorium on payouts announced by Molefe last week was proving to be unpopular.

On Tuesday, scores of angry employees demonstrated, demanding their payouts - which, it was estimated, could cost R400-million. It was doubtful whether the Provincial Government would cave in to these demands, but observers believed that some concessions would have to be made or the political costs in lost votes would be high.

Molefe and his top provincial ministers earlier met BopBC representatives to attempt to forestall the retrenchments. It was announced that there would be a moratorium for two years and that the agreements with the SABC for joint coverage and amalgamation were off.

The question remains, why was BopBC management in such a hurry? In terms of the law that created it, the IBA is only empowered to recommend broadcasting changes to Parliament, not to see things put into effect right away.

Even if all of the IBA's recommendations are passed, there remains the question: Who owns BopBC? An Act placing the old TBVC-state broadcast-

ers under the jurisdiction of the IBA was hurriedly passed towards the end of the first session of Parliament this year, but it did not resolve the question of ownership.

While the IBA can award licences for the broadcasting spectrum, ownership of the magnificent buildings, three TV studios, 11 radio studios, and state-of-the-art equipment in the nearby recording studios could well remain in dispute.

Legal opinion on ownership varied but the provincial Minister of Public Media had it on the authority of a Senior Counsel that the facilities belonged to the province, and were not central government's to dispose of. The argument on the other side is that the facilities belong to the South African taxpayer, who footed the bill for the failed experiment of the Bophuthatswana homeland.

An audit some months ago found the facilities were currently worth about R250-million, although reports in the past have put the total cost of installations over the past decade at four times that figure - around R1-billion.

Between November last year and April this year, representatives of BopBC toured the country seeking support for the principle that regional broadcasting should be independent of the SABC. They received a sympathetic hear-

ing from at least half of the provinces. The big plum that BopBC could offer was its running studios, which could be used as a launch-pad for provincial broadcast training and productions. It was proposed that a panel of regional broadcasters be formed to co-ordinate training and production in Mmabatho.

The regional broadcasting argument has a strong logic to it. In my own presentation to the IBA, as an independent academic, I argued that it would be a mistake to hand over regional facilities to a centralised SABC structure in Johannesburg.

And besides, the BopBC facility could also be used profitably for a southern hemisphere satellite news, educational and development service. This option, which has hardly been explored, could win the backing of a consortium of African and Indian-Ocean-Rim financiers.

The IBA finding was that public broadcasting should fall under one national broadcaster which will control the switch-on to any regional services.

The management at BopBC seem to have lost heart when they heard this. With the IBA ruling against them and little apparent success in lobbying for regional support, they collapsed their position.

Graeme Addison is Professor of Communication at the University of the North West in Mmabatho.

Pollution suddenly gets worse - two big generation plants shut immediately

They all say 'Eskom, you're a star'

■ BY ANITA ALLEN
SCIENCE WRITER

Bougquets are being handed out to Eskom for its decision to close two of its six 600-Megawatt units at Duvha Power Station near Witbank, where emissions suddenly rose to 10 times registered levels.

Duvha, which is Eskom's powerhouse and supplies the cheapest electricity on the grid, was retro-fitted with bag filters on three of its units in 1992 at a cost of R36-million. At the time it was a world first with the biggest bag filters yet installed anywhere. The promise was that the bag filters would operate at 99,9% efficiency, reducing emissions far below existing pollution regulations.

Unfortunately, earlier this year it was noticed that the fabric of the filters, which operate as giant vacuum cleaners, was beginning to perish. At first it was thought that this was normal wear and tear, but in the past few weeks the rate of failure accelerated and Eskom realised it had a major problem.

Complaints from the public followed as white clouds of "smoke" billowed from the stacks, and there was a warning from the office of the Chief Air Pollution Control Officer that something had to be done.

At Friday's executive committee meeting of Eskom's generation division, a unanimous decision was taken to close the two units.

"There was a dramatic rate of change and we were pumping out toothpaste. So we decided we had to close down the units," Brian Statham, Eskom's executive director, generation, said.

The exercise in self-regulation has been praised by Martin Lloyd, Chief Air Pollution Control Officer of the Department of Environmental Affairs and Tourism.

(DEA&T) as an example to industries countrywide.

Lloyd said the Air Pollution Act allowed his office to close polluters operating in excess of their registered, allowable emissions. However, the act stated that a reasonable period had to be allowed for abnormal problems to be corrected.

"The fact that Eskom has voluntarily closed down its units is excellent, and shows how seriously it considers air pollution," Martin said. "It's a breakthrough in self-regulation and responsible care, and Eskom should be congratulated."

Lloyd's division was transferred from the Department of Health to the DEA & T in April, and has only six officers to monitor air pollution countrywide, whereas a work study has shown at least 32 officers are required.

Warning

Pieter Odendaal, deputy-director air pollution control, who is responsible for power stations, said the division operated by crisis management. He wrote to Eskom two weeks ago warning that immediate steps had to be taken to rectify the situation at Duvha.

A bouquet for Eskom was also handed out by Rodney Meyer, chairman of the Air Pollution Liaison Committee (Apolcom) of Mpumalanga.

"Eskom must be commended for their prompt action. It is definitely an example to all other industries," Meyer said.

Apolcom consists of more than 30 representatives of industries, including Eskom, and the town councils of Witbank and Middelburg. It meets bi-monthly to respond to complaints, shares experiences and discuss problems of mutual interest. It also runs an air quality monitoring station funded by the DEA & T. Eskom has monitored air

quality in the region since the early 1980s to determine the impact of its power stations and other sources.

In the 12 months from July 1994 to July 1995, concentrations of SO₂ (sulphur dioxide), NO_x (nitrogen oxides), O₃ (ozone) and Fine Particulate Matter (FPM) have generally fallen well below the DEA & T guidelines. Occasional high hourly concentrations of SO₂ have been recorded throughout the year, primarily from Duvha, but have not exceeded the guideline.

In the 12-month period there has been a significant reduction in both SO₂ and FPM, due mainly to improved emission control strategies, including fitting of bag filters.

"The failure of the fabric means that Eskom will have to re-examine its policy of fitting with bag filters," Statham said.

Fabric filter economics are centred on bag replacement costs.

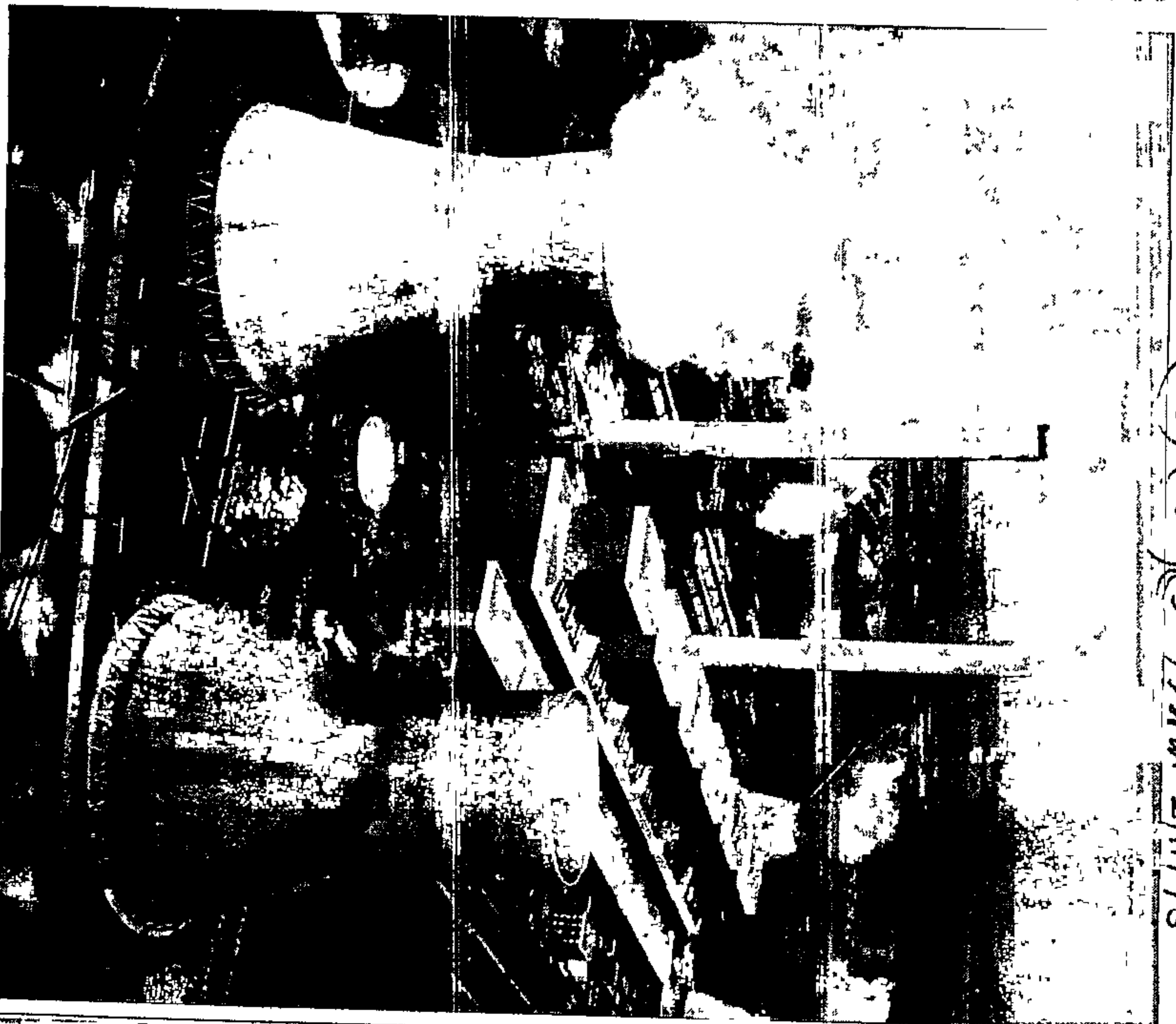
At a cost of R12-million for one set of bags a unit, the premature failure of the fabric could mean a return to less efficient and "dirtier" technologies.

This would mean that downward trends in air pollution over the Witbank/Middelburg region, which is on premier tourism routes, may not be maintained.

Closing the two Duvha units will cost Eskom about R8-million to R10-million and it also means that for the time being the giant utility will have to switch to more expensive electricity sources from other power stations.

Eskom, in conjunction with the bag filter supplier, is investigating solutions. This includes the possibility of fitting more expensive bag filters, these can only be supplied by March.

If a solution to the problem is not found, the costs could be passed on to consumers, according to Statham.



Power failure .. two 600Mw units at Eskom's Duvha power station have been closed down following the failure of bag filters and resulting excess emissions.

Not just beating about the Bush

MG (BM) 3-9/11/95

(260)

In the first of an occasional series focusing on community radio stations, **Ruben Mowszowski** looks at the origins and potential of Bush Radio

BUSH RADIO, broadcasting to the Cape Flats out of third floor studios above a cafe in Salt River, is giving a voice to a number of communities in a way that is sometimes raw, often vibrant and nothing if not authentic. It's radio for the people by the people in the language of the people.

Its on-air history begins in April 1993, one week after Chris Hani's assassination. A few days after its first broadcast, police and postal officers seized Bush Radio's transmitter, putting an end, for the time being, to its operational life. Last month the man who headed that group was in Bush Radio's studio as a guest on station manager Farah Moosa's chat programme talking about community crime policing.

Bush Radio grew out of the Cassette Education Trust (Caset), one of many community media projects initiated by Edric Gorfinkel. In 1991 Caset began talking to the University of Western Cape about a combined campus/community radio station.

The idea for its location at that "bush college" was dropped, but the name remained. By the end of 1992, Caset had become Bush Radio. Its agenda: lobbying, advocacy at conferences, training and preparing itself to go on air using a transmitter supplied by the African National Congress' Radio Freedom.

In May this year the Independent Broadcasting Authority granted Bush Radio a 12-month licence and directed that it share a frequency with C-Flat Radio, headed by Geoffrey Klemsmith of the "People's Express" (a Cape Flats freebie tabloid). Under the terms of its licences, C-Flat has the airwaves from 2am to 2pm and Bush takes it from 2pm to 2am.

Klemsmith is less than happy with this arrangement. "Because we broadcast to the same geographic area, it does not mean we target the same audience," he says, citing the lack of liaison between the two stations as in itself proof of the difference in listener base. A C-Flat listener tuned unwittingly to Bush might well get confused by the difference in style.

Bush Radio station manager, Farah Moosa, describes it a kind of "Brechtian radio" where you are allowed to know what's going on. "It's probably the most unstructured radio station you've ever been in. If you're a listener, you might hear in the background street traffic, the screaming of the minibus *gaartjes* (fare collectors) or some radio worker saying 'oh shit, the bloody computer's down!'"

The current programme list includes chat/music programmes, a current affairs platform for people or



Rapping live on Bush Radio: 'It's probably the most unstructured radio station you've ever been in'

PHOTOGRAPH HERMAN VAN WYK

organisations dealing with community development issues, advice on health, business, emotional problems and job seeking.

Weekend programmes include *In the Pink*, a one hour gay programme with Sue Valentine, Lucinda Jolly and friends, and *Be My Guest*, in which Vincent Kolbe presents older people's reminiscences with a particular focus on District Six.

Programmes which appear to have the highest profile are Moosa's daily one hour chat programme dealing with community issues such as community crime prevention, Basie Montewa's daily three-hour chat programme and a twice weekly, three-hour, late night hip hop programme run by disc jockey and programming manager Shamiel X.

He started out in life, he says, as "someone who wasn't going to go anywhere in life. I dropped out of school, ran with some gangs, smuggled some drugs and was sentenced to five years (suspended)."

It was his passion for music that led him to hip hop culture, a job as DJ at The Base and finally to Bush Radio. "I found a route and a pathway and a direction and I hope that's what community radio is going to provide for some people — a sense of oneself, a direction, a goal. We've got to structure mechanisms and pathways in such a fashion that it gets people on the air as quickly as possible."

The training that gets people on the air is free and comprises five weekend workshops taking volunteers through community radio basics such as ghetto blaster editing and field recording. Accredited volunteers can then join production teams to carry out research, edit or assist in other ways.

More intensive courses are offered as there is a demand and also courses aimed at redressing perceived imbalances: the tendency for women to shy away from technical roles, for instance. (Bush Radio's policy is that at least half of its management should be female but in fact the proportion has always been far higher.)

Shamiel X is confident that his own show is being listened to and enjoyed. "We've had calls from a shebeen, from Mannenberg, Langa, Nyanga, 'Gugs'. I know that it's for real because it's for real people who are calling in." He receives on average two calls after every music track.

Until now Bush Radio has received support from Canadian and German donor agencies and most recently, from American philanthropist George Soros's Open Society Foundation. It is harder to obtain funds for running costs than for equipment. With four permanent staff members, Bush Radio will need to attract the sort of income that will make it, at least as far as salaries go, self supporting.

Their preference is that advertising spots should serve the needs of small, preferably local, businesses and to offer the bigger companies programme sponsorship. No advertisements for cigarettes or alcohol will be accepted.

The target audience of the station is essentially the coloured and black population of the Cape Flats, Mitchells Plain, Blue Downs and Mannenberg on the one hand, and Khayalitsha, Nyanga, Guguletu, and

Langa on the other. The combined population of these areas is estimated at two million.

So who listens? An Australian radio worker is currently training Bush Radio volunteers in audience survey systems.

Justifying Bush Radio's large geographic reach (it's been picked up from as far away as Grabouw), Moosa says, "If you deal with 10 or 20km only, you are reinforcing apartheid's

parameters. We don't want to do that. We need to bridge the gaps between communities."

Cape Town's radiowave-stopping mountain makes sure that, for the meantime, Clifton and Kalk Bay, at least, will listen to another voice.

Bridging the old apartheid divisions is not so simply done.

● Membership of Bush Radio is open to individuals and community organisations. (The rate for individuals is R20 per annum.)

A management board elected by Bush Radio members appoints the station manager who currently directs four managers and three in-service trainees.

Production and presentation of programmes is unpaid and is entirely in the hands of volunteers. (Staff members are not paid for their involvement in programme production.)

A monthly open forum acts in a consultative role to management. Two trustees, appointed by members, ensure that station policy is adhered to and deal with any disputes.

'I found a pathway and a direction with Bush Radio and I hope that's what community radio is going to provide for some people'

Radio station to take IBA to court

MG (25M) 3-9/11/95

Neil Bierbaum

A COMMUNITY radio station in Pretoria is challenging a decision by the Independent Broadcasting Authority to grant it a shared frequency. Its court hearing against the IBA was delayed this week for the third time.

Radio Visarend has been allocated a frequency to be shared with two other Afrikaans community radio stations, Radio Hooftstad and Baken Radio. The three were to decide how to carve up

the time, but Hooftstad and Baken have amalgamated, forming Radio Afrikaner FM, taking two-thirds of the time, leaving Visarend with Tuesdays, Thursdays and "one-third of Sundays".

Visarend never went on air. "To do so would imply that we are satisfied (with the licence conditions)," says chairman Rudolf Lothringen. Instead, Visarend has challenged the IBA, stating in its court papers that by sharing a frequency the station cannot create a viable opportunity for advertisers. Alternatively, it contends

that Radio Afrikaner FM, now a single company, should only get half the time on the frequency.

Meanwhile, Radio Afrikaner FM has stopped broadcasting, reportedly due to a failure by advertisers to renew their contracts because of the shared frequency.

According to Lothringen, the IBA has given no reasons for issuing a licence on a shared frequency. It has also "dragged its feet in responding to the court papers". Hence, the delay. Apparently, the IBA had to discuss

with 5FM the availability of another frequency in the area. It took more than a month to respond and then gave Visarend one working day to counter its response. Visarend requested a delay in the court appearance. At the time of going to press, no further court date had been announced.

Lothringen has an additional problem: the IBA initially granted the three stations the frequency of 103MHz, but then moved them to 93.6MHz, which is used by an Ndebele station. The latter's signal is intended to transmit towards Witbank, but, says Lothringen, there is a spillover to the Pretoria side that is the same strength as Visarend is allowed — 100W.

Change is slow in this dorp

Old attitudes die hard in Ventersdorp, as **Justin Pearce** discovered

VENTERSDORP looked as if it were hosting a foreign correspondent's convention on Wednesday. The town of the AWB had a date with the new South Africa. It was surely a story to make soundbites throughout the world, and the media were there to tell it.

But the AWB's former headquarters are now an insurance broker's office. Eugene Terre-Blanche showed his face briefly in town, but with no sign of banners, rhetoric, or the khaki-clad henchmen that make for good photos. Anyone who had come here on the basis of Ventersdorp's reputation as the monkey-cage in the great zoo of South African politics must have gone away disappointed.

Yet the shrivelling away of the AWB has not turned Ventersdorp into a beer-advert model of national unity. In Tshung township, black voters may talk about the whites becoming more reconciliatory than before — but this observation seems to be based on the fact that the white thugs no longer beat them up whenever they show their faces in the town.

Meshaack Mbanbalala, the 26-year-old ANC candidate tipped to become the town's next mayor, confesses to knowing little about the white section of the town which he will be heading — in the old days, it was a place where blacks simply never went. Now that blacks do shop in town, they stand aside to let whites be served first.

There are even conclusions to be drawn from the ward numbers. Wards one and two are in the white town. Three is mostly white but a bit coloured. Four, five and six are in Tshung.



Which way to vote? An elderly voter gets help in Ventersdorp

On Wednesday, wards one and two featured a straight fight between the Conservative Party and Ventersdorp First, a strategic alliance of the National Party, the Freedom Front, and independents. In four, five and six the ANC stood unopposed. Three was the interesting ward: it had many conservative elderly white voters and the most charismatic of the CP candidates. But it also incorporated the tiny coloured residential area of Utivung.

Consequently, the battle for ward three involved the ANC, the CP, Ventersdorp First, and two independents. But on the lawns outside the municipal offices — where residents of the first three wards cast their votes — it was immediately obvious which party formed the political establishment in the town. The CP had a khaki military tent where plates of daanly sandwiches were passed round. Ventersdorp First had plastic chairs under

a couple of sun umbrellas. Eddy Martin and Vincent Schalkwyk, respectively ANC and independent candidates in the vaguely-grey ward three, hung out on the pavement next to their cars.

So it's not surprising that CP members were upbeat in the face of the prospect of being a minority on an ANC-led council. Ward two CP candidate Albertus van Zijl described the party's intentions as "looking after the white people, and representing their interests on the council." But equally, he wanted to maintain "good relationships with other population groups."

He explained this apparent contradiction as "very logical — the black candidates won't care about the white population, so we must look after them. Politics are not so important. It's about looking after our own people."

Voters can interpret this message as they wish. There is little doubt as to



Still divided: It was basically down to a choice between the CP or the ANC in Ventersdorp. PHOTO: STEVE HILTON-BARBER

the kind of future envisaged by the elderly white man who declared "I'm not voting for myself. I'm voting for my children, so that the whole town of Ventersdorp may stay white."

The CP's claims to have put politics on a back burner were echoed with more conviction by Ventersdorp First, formed as a "non-political pressure group", in the words of candidate Gáwle Yssel, to unite smaller parties in effective opposition to the ANC. Yssel acknowledged the ANC "has some good principles" and looks forward to a good working relationship on the council "at local government level. It is practicalities, not ideology, that matter."

The ANC, too, is facing the future with an open mind. Mbanbalala humbly acknowledging the need for some members of the old CP-dominated council to stay on so that the new incumbents may profit from their experience in local government.

The will to work is there. But practicalities could yet scupper the fragile delirium of the new council. Ventersdorp is poor. There is little commercial activity in the town besides cafes and butchers' shops, and even in the torpid white areas the pavements are cracking. The population, black and white, is ageing, and those young people who remain hope the new council will reverse the town's reputation as a holed-of-right-wing militancy, which has discouraged businesses from investing there and made job prospects bleak.

When asked how the new council hoped to balance the books, Mbanbalala shook his head and sighed. The ANC had promoted the Masakhane campaign, but it was difficult to get people to pay service charges before they had started receiving services. So the development of Tshung will have to proceed on the scanty resources of the

old white council. It's hardly surprising that the CP's promise to look after its own has earned a substantial following among whites.

In Tshung, the hopes are for running water, sanitation, electricity, tarred roads — the catalogue of needs common to most of South Africa and reeled off during countless voter awareness ads. The only visible opposition to the ANC is represented by a handful of youths who form a PAC and a still-unofficial Azapo branch, and who claim to be saving their energy for the 1999 national election.

While in other places opposition parties have capitalised on the ANC's failure to meet such needs in 18 months, Tshung residents have not set their sights so high. The 1994 elections meant they could go shopping without getting beaten up. If the ANC could achieve that, the logic runs, then it can achieve anything.

Missing ballot papers in Mpumalanga enrage Phosa

(266B) MG 3-9/11/95
Justin Arenstein

WHEN election authorities in Mpumalanga announced that they had lost the trucks transporting ballot papers to more than 50 polling stations in the former KwaNdebele, it sounded like one of the more amusing episodes of the local elections.

But when the ballot papers had still not arrived 12 hours after polls were supposed to open and the army sent out spotter planes to find the missing ballots, heads began to roll.

In a controversial move, Mpumalanga premier Mathews Phosa launched his own snap investigation into the delays at midday on Wednesday and by 3pm was accusing the senior election co-ordinators in the former homeland of deliberately sabotaging the elections.

"The explanations (for the delays) were pathetic and disgusting and smacked of massive sabotage. Their whole operation was an abortion and the organisers are really deep in the soup," charged Phosa.

"Although people like Paul Broodryk, who is a very bitter man with an agenda, were supposedly in control of the situation, they still cannot give us an intelligent explanation for the situation."

Broodryk, co-chairman of the Regional Services Council which ran the elections in the area, consistently refused to deny Phosa's charges.

"I have immense respect for Phosa and accept that my head is on the block. As political head, I accept collective responsibility for the problems," he said.

Admitting that he was not solely responsible for the elections in KwaNdebele, Broodryk added that he found

it "strange" that he had been singled out.

The ballot papers were finally delivered between 1pm and 4.30pm, forcing election officials to keep some polling stations open until 6am on Thursday to enable voters to cast their ballots.

Despite the delays, which forced some voters to queue for as long as 24 hours, no violence or other serious incidents were reported in Mpumalanga.

Anticipated tension between the province's large farming community and their labour tenants did not materialise, with many farmers actually ferrying their tenants to rural polls on the back of trucks. The overwhelming response to elections by these rural voters, who had been written off as uninterested and too politically naive to really care about local government, added to the unexpectedly huge turnouts at the polls.

Independent and ratepayer candidates dominated the small-town councils which were the first out with their results on Thursday morning, with a surprising lack of support for mainstream parties such as the National Party and Freedom Front. The ANC was the only established party to do consistently well in the ward candidate seats.

Moreover, many of the supposed independent candidates were either affiliated to the ANC or had already indicated that they were interested in coalitions with the party, said Phosa, who is the ANC's provincial chairperson. "The ANC was very vocal about saying that people should vote for a party and not for individuals — and our overwhelming victory in the proportional representation stakes proves our success," he said.

Election coverage without glitches

The SABC has successfully completed nationwide coverage of the local elections, writes **Hazel Friedman**

What the hell is going on in the Northern Cape and Mpumalanga? asks a senior South African Broadcasting Corporation television staff member, his voice thick with tension and fatigue. It's like watching the finals of nine ping-pong matches as the television control team attempt to simultaneously co-ordinate election coverage in nine separate regions in eleven languages. "Okay, we're nearly there."

He breathes a palpable sigh of relief. "We did it guys. You're one hell of a team. Who would have thought we'd have to send out a bloody helicopter emergency force to Bophuthatswana?"

Some voters might recall the emergency mission to cover the North West region, after the Bophuthatswana Broadcasting Corporation's staff and management went on strike preventing coverage of elections in the region. Others won't forget the face of Free State premier Terror Lekota when he forgot to bring his identity document to the voting polls or, for that matter, Lester Venter's near-fatal Freudian slip when he mistook political analyst Themba Sono for the IFP's Themba Khoza during a discussion on election violence, or the Khanyo Dhlomo-Mkhize look-alike charms of Hope Zinde, the SABC's bright new anchor star.

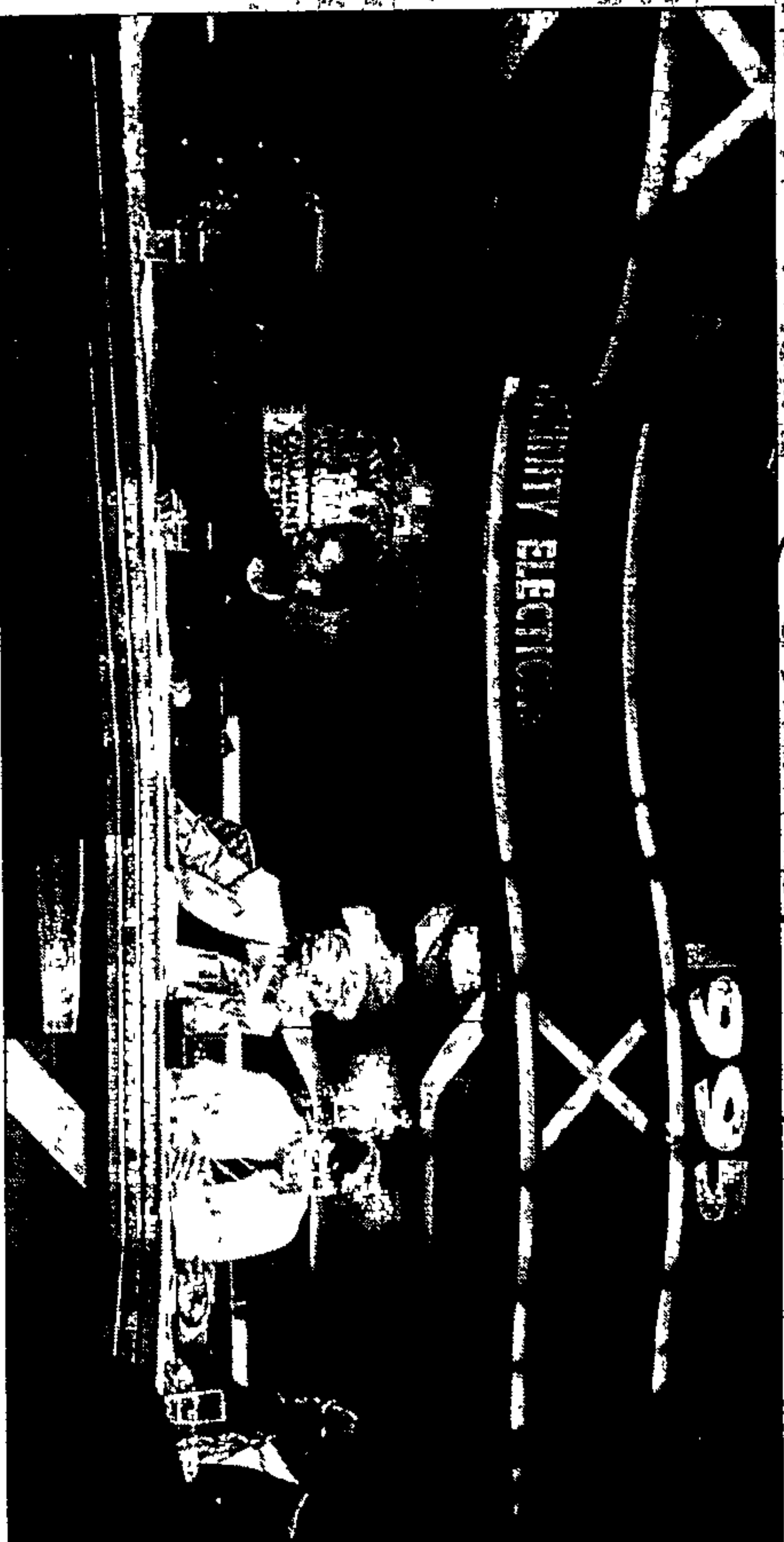
But all South Africans will remember November 1 and 2 as the time the SABC finally got it right. Not only did it pull off a feat that in terms of sheer complexity is unique in the world: co-ordinating the nation-wide coverage of the voting and results of South Africa's first community elections in 11 official languages. It did so without repeating many of its old mistakes and made relatively few new ones. Even the biggest computer in the country — programmed to count the votes for the country's 20 000 candidates — did its job without choking from info-overload.

Given the SABC's glitch-filled history, this was nothing short of a miracle.

"It went off better than I dreamed," says Izak Minnaar, who together with Seathlolo "Kgoro" Kgoroeadira was responsible for co-ordinating this gargantuan project, aided by a combined radio and television budget of R32-million, — R5-million more than the cost of the 1994 national elections — a research unit, nine teams deployed to the northernmost regions of the country, and a couple of television veterans from the Australian Broadcasting Corporation (ABC) who co-ordinated a reporter training programme.

"We pulled in the talent from radio and gave them a crash-course in crisis management," says the SABC's Jane Hicks who assisted the ABC's Robbie Weekes and Paul Brown in the two-week instruction course.

With some obvious exceptions, this tactic clearly worked for most of the trainee reporters. They would also have rusty anchor Dorianne Berry who seemed unable to open her



Anchors away: The SABC monolith undergoes transformation into a polyglot

mouth without simultaneously running her hand through her hair, and political commentator Lester Venter, who by now has almost perfected the art of inane analysis.

"But most importantly, we wanted to teach our presenters how to be inclusive and generous in their coverage," adds Hicks.

Such adjectives are not usually associated with the SABC. But this, after all, is no longer the monolithic mouthpiece of the apartheid-regime.

"We're transforming ourselves from monolith to polyglot," says Pat Pillai, head of publicity at the SABC. "We're

really trying to put all those hallowed principles of accountability and transparency into practice."

"It is more than last year's," he explains, "because the poll needed to be covered in all the provinces and because of the number of outside broadcast vans beaming into the provinces themselves. But considering the greater size and complexity of the operation, the increase is surprisingly small."

He adds: "One of the differences between last year's election coverage and this year's, is that this year our executive producers were given a large

degree of editorial independence. They could deploy task teams into the different regions and cover the background issues they deemed important without a specific brief from management."

"We're not saying we got it 100 per cent right, but we now know that it's possible to successfully restructure the SABC on a regional basis. It's been an incredible learning experience," says Andre le Roux, who heads this year's provincial broadcast.

In fact it is rumoured in media corners that the SABC tower will soon be changing its name to the Tower of Bezaale.

PHOTOGRAPH NAASHON ZALK

(260) M4 of 3-9/11/95

Persons in custody
around 200
years under

■ BY MICHAEL SPARKS

Bop manager's retrenchment package trimmed

The man at the forefront of the row over retrenchments at the Bophuthatswana Broadcasting Corporation has agreed to accept a new age retrenchment package. The North-West premier's office has announced

exchange for dropping his suspension and disciplinary action. Kotane agreed in negotiations with broadcasting director-general Mokoena to accept a normal severance package valued at four months' salary. In exchange, Mokoena agreed to drop Kotane's suspension and not to take disciplinary action against him. The furore over the retrench-

ments led to broadcasting MEC Riani de Wet resigning last week after the unilateral retrenchment of 710 of the 725 employees. Kotane's original package was valued at one year's salary plus one month's salary for each year employed. The entire package was valued at more than R400-million. This meant that Kotane, who

had been head of the corporation for 14 months, was to get a retrenchment package valued at R596 000, despite having a new job lined up as head of the SA Communication Services. After deductions, Kotane would have cleared more than R360 000. It is understood that Kotane's new retrenchment package is worth R170 000.

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SABC to seek R473m in govt aid

(260) ARG 4/11/95
JOHANNESBURG — The SABC board is to lobby the government for R473 million to meet new local and education content rules proposed by the Independent Broadcasting Authority (IBA)

The state broadcaster's board chairwoman, Ivy Matsepe-Casaburri, told a news briefing yesterday the SABC would have had to go into a deficit of R200 million to meet this year's mandate from the IBA

"Although revenue is expected to increase (in the 1995/96 financial year) by seven percent, expenditure is expected to grow by 22 percent, which presents the SABC with a formidable challenge," she said

"Severe corporation-wide cutbacks have had to be made to produce an acceptable and responsible budget,

with serious implications for SABC meeting its public service commitments"

Dr Matsepe-Casaburri said budgetary cuts affected African language services, local content, regional expansion and programming

The government had an obligation to fund the public services of the national broadcaster, she said, adding "The SABC will redouble its efforts to obtain financial assistance from government for meeting crucial public needs in the areas of education and information"

Dr Matsepe-Casaburri said the request would be presented next Wednesday to the parliamentary broadcasting portfolio committee hearing on the IBA's report — Reuter

Bid to convince Bop broadcaster to rejoin talks

JOHANNESBURG — Board chairwoman Ivy Matsepe-Casaburri said the SABC would meet the Bophuthatswana Broadcasting Corporation (Bop-BC) soon to try to persuade it to rejoin integration talks

“Good progress is being made on all fronts towards full integration, except for the unexpected withdrawal by BOP-BC,” she said

North West Premier Popo Molefe put restructuring of the broadcaster on hold, saying it would cost R369 million in staff retrenchment payouts

Bop-BC had expected to be restructured before intergration and withdrew from the talks. Payouts had been approved for 710 of the corporation's 725 employees as part of voluntary retrenchments. — Reuter

AR 4/11/95

(260)

SABC to seek R478-m boost to its budget

By NEWTON KANHEMA

The SABC will be asking the Government for R478-million next week to supplement its budget, chairman Ivy Matsepe-Casaburri said yesterday.

She told a news conference that R160-million would be spent on educational television projects, provincial TV splits would get R153-million, and increasing local content and African-language TV programming would take up R71-million.

Loss in contribution to overheads as a result of the sale of radio stations would amount to R36-million and this would have to be made up. Radio education

would get an allocation of R29-million, while provincial radio splits would take R15-million. Upgrading of African-language stations would receive R9-million.

Matsepe-Casaburri said her board, which met on Thursday, had approved the SABC's budget for the 1995/96 financial year. "In contrast to last year, to meet our mandate this year we would have had to go into deficit to the order of about R200-million. We therefore had to make serious cuts to the budget in order to break even. Although revenue is expected to increase by 7%, expenditure is expected to grow by 22%, which presents the SABC with a formidable challenge."

(260) STAN 4/11/95

BBC retrenchment packages invalid

By BENISON MAKELE

HOPES for huge retrenchment packages by hundreds of Bophuthatswana Broadcasting Corporation (BBC) employees in the North West were squashed minutes before the start of local government elections.

The retrenchment of staff and management at the BBC implemented between September and October would have cost the taxpayer about R400 million.

Solly Kotane, former head of the BBC who has now joined the South African Communication Services as its head, was expecting R596 000 in a combined pension and retrenchment package.

Instead he got an equivalent of four months salary when he resigned from the corporation.

Following an agreement reached between the North West government and the employees, the retrenchment packages have been declared invalid and the existing employment contracts valid.

BBC employees resolved not to give coverage to the elections in the North West in the event of them not receiving their retrenchment packages as was agreed.

While management and the government were behind closed doors trying to resolve the impasse over the coverage of the elections, employees waited patiently until an agreement had been reached.

BBC management and staff can still institute civil proceedings against the corporation regarding the validity of the retrenchment agreement should they deem this necessary, according to the agreement.

Sources close to City Press said the retrenchment packages were negotiated in view of a perceived misunderstanding surrounding the publishing of an Independent Broadcasting Authority (IBA) document on the corporation's future.

Staff may have misunderstood the IBA's report about the disbanding of the BBC and its integration with the SABC to mean the closing down of the corporation while it intimated about the possibility of provincial broadcasting, the sources say.

"It was therefore premature for management to assume that closure of the corporation was necessary or inevitable", the North West government asserted at the close of the negotiations.

Most staff at the corporation had looked for alternative employment two months before the retrenchment packages were negotiated.

CP 5/11/95

TV drama all the way when Popo steps in

ST 5/10/95 (260) (260)

By RAMOTENA MABOTE

THE beleaguered Bophuthatswana Broadcasting Corporation is living through a soap opera more dramatic than any it has ever broadcast — and that includes *Dynasty* and *Santa Barbara*.

In the past two weeks alone, there has been a mysterious resignation, the suspension of a top manager, a threatened broadcast blackout on the eve of the local government elections, and a row over a retrenchment package worth millions.

The drama began six months ago when it was realised that the corporation would have to be integrated into the South African Broadcasting Corporation.

The Bophuthatswana corporation's management began negotiating with the province's minister for broadcasting, Riana de Wet, and eventually a deal was struck whereby workers' contracts would come to an end on October 31, and they would then be paid out.

Management says the retrenchment package — which would give staff from R50 000 to nearly R700 000 each — was worth R83-million.

However, on Monday, North West premier Popo Molefe said he estimated the deal was worth R400-million.

Despite his government having earlier endorsed 715 retrenchments from the corporation, Mr Molefe said his administration was unaware of the agreement, that the deal was illegal and that his government could not afford to pay out R400-million.

Then he slapped a two-year moratorium on retrenchments and ordered everyone back to work.

Things began to get out of hand when the staff refused to work, so the government suspended BBC chief Solly Kotane, who was set to receive R450 000 as part of his deal, and appointed the region's director-general, Job Mok-

goro, in his place.

On top of all this, Ms de Wet announced her resignation. It was rumoured that she had resigned to camouflage the fact that she had been sacked by Mr Molefe.

On Tuesday, staff began an unofficial go-slow and threatened that if their lucrative packages were not restored, they would black out Wednesday's election coverage.

The corporation's management, the provincial government and the Media Workers Association of South Africa (Mwasa) held talks lasting more than 12 hours in an effort to solve the problem.

Eventually, barely an hour before midnight on Tuesday, and only minutes before the blackout was to start, Mwasa general secretary S'thembele Khala persuaded staff to go back to work.

He also urged the corporation's employees to challenge the government in court.

Despite the agreement, on Wednesday morning only a handful of employees reported for work.

Staffers were disillusioned and angry about the drama. One young woman, a film editor, said she had already bought a house using her retrenchment letter — and others had reportedly used their promised payouts to finance full-time academic studies.

A spokesman for Mr Molefe, Willie Modise, said that the North West government was not opposed to the integration of the Bophuthatswana broadcaster in principle.

However, he said, it appeared that the integration process involved the "absorption of BBC by the SABC".

"There will be integration but in a manner that would be properly negotiated between all stakeholders, which has not been done as yet," he said.

Mr Molefe's decision to impose a two-year moratorium on retrenchments drew a surprised reaction from the Independent Broadcasting Authority.

IBA spokesman William Lane said he hoped Mr Molefe's decision did not mean the province was repudiating the agreement that the Bophuthatswana corporation, like the services in the other TBVC states, would be incorporated into the SABC.

"Initially the premier supported the process of integration and we sincerely hope that what he is doing is reconcilable with and will not interfere with the integration process," he said.

He said the IBA was concerned about government interference with a public broadcaster.

Bop Broadcasting costs too much, says its former chief

By RAMOTENA MABOTE

ST 5/11/95

260

THE man in the middle of the Bophuthatswana Broadcasting Corporation saga, Solly Kotane, does not believe that Bop Broadcasting Corporation has a future and thinks it should be integrated into the SABC immediately.

Mr Kotane, who was chief executive of the corporation before he took over as head of the SA Communication Service at the beginning of this month, said more than 60 percent of the 3,5 million people in the North West province lived in rural areas where there was no electricity, and thus no television sets.

He said it would cost the North West government R200-million a year to run Bop Broadcasting independently, more than twice its current annual budget of R93-million. "I do not think that's a sustainable utilisation of scarce national resources," he said.

Born in Rustenburg 42 years ago, Mr Kotane matriculated in Pietersburg in 1974. He got a job as a teacher at Naledi High School in Soweto the following year. In 1976 he went into exile and joined the ANC's department of information and publicity.

In due course he became the head of Radio Freedom, before leaving to work as a reporter for the Chronicle in Zimbabwe. He later became editor of the Pan African News Agency in Dakar, Senegal.

He has a diploma in journalism from the Nyegezi Social Training Institute in Tanzania and a BSc in information and communication from the University of North London, in Britain. He also has an MA in international journalism from the Graduate Centre of Journalism in London.

Arrears push Eskom's RDP programme into the dark

ST(BT) 5/11/95

(260)

ESKOM has warned that arrears of R230-million are threatening to slow its township electrification programme.

By THABO KOBOKOANE

Peter Adams, media relations officer at Eskom, says that by end September Eskom had switched on 203 000 homes and is on target to electrify 300 000 homes this year.

This will bring the number of township and rural homes linked to the grid to 835 000 since the drive began in 1990.

A further 300 000 homes a year will be electrified until the end of the decade under Eskom's commitment to the reconstruction and development programme.

"It would be tragic, though, if Eskom's RDP successes were cut short by continued non-payment," Mr Adams says. Attempts to secure payments or cut off non-payers are being hampered by harassment and kidnappings, he says.

Since the mid-1980s Eskom has lost over R1-billion in non-payment of electricity accounts in the townships.

Mr Adams says the arrears are split evenly between individual consumers, serviced directly by Eskom and township transitional councils.

Eskom is also incurring losses on prepaid meters, mainly through illegal tampering and technical faults.

Mr Adams says that even those individuals who are paying do not necessarily do so in full. "In Soweto, for example, the 70% of customers who regularly meet their bills pay between 30% and 100% of the total account."

He says that 19 transitional councils, many of them on the East Rand, have incurred the most debt and remain "problem areas". This is in spite of an agreement reached between provincial govern-

ments and Eskom in August to roll over R1-billion in debts incurred before February 28 into a suspense account. The agreement was intended to ensure that the new local authorities would not have to service debt accumulated by previous "unrepresentative councils".

Debts accumulated after February will have to be settled by December with interest.

"Eskom is engaged in an ongoing programme of negotiation and inducement so that councils pay at least their current accounts, with payment of interest to be tackled afterwards."

"At a certain point Eskom will be compelled to take legal action."

"With regard to arrears for individual households, we will have no alternative but to use our credit-control measures and cut off electricity supply."

"Only if negotiations fail to bring the desired result will we be forced to switch off electricity, both to local government and individuals," he warns.

Eskom's mounting arrears mirror a recent trend in the townships of a renewed drop in municipal service payments.

After some early successes the government's Masakhane campaign reported recently that service payments had fallen significantly between June and August this year.

In Soweto 30% of residents paid for their services in June. Two months later it had dropped to 24%. The respective figures for East Rand townships are worse, having plunged from 68% to 16% in the case of Katlehong.

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Attempts to get BBC back on track

By Victor Metsoamere

THE Independent Broadcasting Authority might join attempts to get the Bophuthatswana Broadcasting Corporation to rejoin ongoing talks aimed at the creation of a single National Public Broadcasting Service.

Head of the SABC Board, Dr Ivy Matsepe-Casaburi has announced that the BBC, which had "all along" been represented on two bodies responsible for the integration process, had suddenly withdrawn from the talks.

But, she said, this "unfortunate development" had not scuttled the continuing process which involved the Transkei and Ciskei broadcasting corporations and Venda's Radio Thohoyandou.

The participating parties are represented in the Joint Integration Management Committee (JIMC), which facilitates the integration process, and the Interim Coordinat-

(260) *Dr Matsepe-Casaburi*
6/11/85
Dr Matsepe-Casaburi wants the IBA to pursue the matter of integration

ing Body (ICB), which oversees the integration process.

"BBC's withdrawal from the integration process is an unfortunate development especially since they had accepted integration and had been participating in the JIMC and ICB," said Matsepe-Casaburi.

Matsepe-Casaburi said attempts would be made to get BBC to rejoin the integration process and that the matter would also be pursued with the IBA.

However, if the BBC had stayed on in both the ICB and the JIMC, it would have been left with only 10 staffers following the controversial retrenchments packages of more than 700 workers which were stopped by North West Premier Popo Molefe.

Meanwhile, the SABC is expected to ask the Government for R473-mil-

lion this week to supplement its bud-

"To meet our mandate this year we would have had to go into deficit to the order of approximately R200-million," said Matsepe-Casaburi.

She also announced that, in addition to three SABC channels currently available on a direct-to-home satellite broadcasting - NNTV, TV1 and CCV - the SABC would launch a fourth satellite service on November 15.

The SABC board has also decided to refer back to management the matter concerning the foreign documentary Jihad in America.

Matsepe-Casaburi said the decision was in line with SABC editorial policy.

People of the Muslim faith were said to have objected to the screening of the documentary on NNTV.

Press bid to ~~(243)~~ reduce radio (260). restrictions

CT 7/11/95
SPECIAL CORRESPONDENT

JOHANNESBURG: Representatives of major English-language newspapers yesterday made representations to the parliamentary portfolio committee on communications in an attempt to reduce restrictions on their future ownership of radio stations.

Mr Ivan Fallon, editorial director of Independent Newspapers, said that when Independent bought substantial shares in the Argus company before last year's election, the company was in the unusual situation of only being involved in newspapers.

While the company had made considerable investment in its products, "newspapers are the dinosaurs of the media industry which are in a long, slow decline, forcing us to become involved in the electronic media to survive".

"If a group like ours is deprived of that opportunity, we would be hugely inhibited in terms of growth," he said.

Mr Neil Jacobsohn, general manager of electronic media at Times Media Limited, and representing the Print Media Association, said that there was no desire for newspapers to monopolise radio stations, but they could make a substantial contribution to emerging broadcasters.

Mr Jacobsohn said the restrictions of 25% newspaper ownership of a radio station was sufficient, and the 15% restriction called for by the IBA was unnecessary.

Media diversity controls disputed

Ingrid Salgado

BD 7/11/95

THE print media industry told the parliamentary committee on communications yesterday that it would reserve the right to challenge further restrictions on cross-media ownership in the Constitutional Court.

Print Media Association of southern Africa representative and Times Media (TML) electronic media GM Neil Jacobsohn denied this was a threat to the parliamentary process. This view was echoed by Independent Newspapers' Gauteng GM Graeme King.

Urging the committee to reject the IBA's recent report on cross-media ownership, Jacobsohn said the IBA's recommendation that a 15% shareholding in a radio or TV licence constitute control of that licence was unacceptably low.

The definition of control in the IBA Act — more than 25% — was "more than adequate" to regulate cross-media ownership.

The legal definition of control was any shareholding above 50%, while a shareholding of more than 25% entitled a shareholder to block special resolutions. The association was prepared to accept that 25% constituted control.

Jacobsohn said it was "unnecessarily restrictive" that no person who controlled a newspaper could acquire financial control in both a radio and a television licence. Current provisions in the IBA Act limiting one party to the control of one private TV licence, two private AM and two private FM radio licences were sufficient, he said.

Jacobsohn said TML had no intention of applying for a licence in which it had a 100% stake. But newspapers were keen to be part of licence-seeking consortia which represented a variety of interests. The association was not seeking control of licence applications but wanted the opportunity to have a "fair shareholding of the natural extension of the business we are in".

Committee member and ANC MP Carl Niehaus said it seemed contradictory that the association accepted the need for greater diversity, while resisting further restrictions on cross-media ownership. A variety of different voices was needed, not just different titles, Niehaus said.

NP MP Martinus van Schalkwyk said the committee had "great reservations" about the 15% cut-off line. It wanted to create stability and certainty in the industry.

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Three public service channels 'to cost R1bn'

Ingrid Salgado

(260)

BD 7/11/95

GOVERNMENT would have to pay more than R1bn a year if Parliament decided the SABC should have three comprehensive public service channels, the Independent Broadcasting Authority told the parliamentary communications committee yesterday.

A slimmer and improved SABC broadcasting on only two channels would cost the state about R600m, the authority said.

The committee is holding hearings this week for parties to respond to the IBA's report on the public broadcaster and cross-media ownership.

The report has recommended that the SABC's three channels be reduced to two by 1998. Both channels would have high levels of local content, offering a full range of services in the 11 official languages.

Although the IBA model could accommodate three SABC channels, government should not accept the retention of the third channel if it was insufficiently funded, the authority said. Comprehensive public service channels should include educational broadcasting and provincial windows with a local content quota of more than 50%.

The IBA report also recommended that a third, private channel — to be established by 1998 — should fulfil public service obligations including news and information services with a full range of programming in many languages. The authority said logistics and the licensing procedure required to set up the private channel would take time. International experience indicated two years was realistic.

The IBA remained firm on its recommendations that the SABC sell Radio Lotus, serving mainly the Indian community, and Radio Good Hope, which has a wide coloured listenership.

News views in parliament

(260) (243) ARG 7/11/95
NEWSPAPERS had no desire to monopolise radio stations or broadcasting, the parliamentary portfolio committee on communications has heard from representatives of major English newspapers.

However, newspapers could make a substantial contribution to emerging broadcasters, Neil Jacobsohn said on behalf of the Print Media Association yesterday.

Independent Newspapers editorial director Ivan Fallon said newspapers were the dinosaurs of the media industry and were in a long, slow decline, forcing them to become involved in the electronic media to survive.

"If a group like ours is de-

prived of that opportunity, we will continue to function but we would be hugely inhibited in terms of growth," he said.

"We are not asking to dominate the broadcasting arena, but just to be able to grow."

Graeme King, general manager of Independent's Gauteng newspapers, said newspapers recognised the authority of the Independent Broadcasting Authority to impose certain restrictions on cross-media ownership and no further regulation was necessary.

He said there should be no blanket regulation, and controls should be in the public interest, with individual applications considered on merit. — Sapa.

Star 7/11/95
SABC goes
'affirmative'
on tenders

(260) (176)
STAFF REPORTER

Blacks and women involved in business dealings with the SABC are to be the beneficiaries of the new tendering policy at the SABC, according to a recent board decision

However, the tenders will still have to fulfill certain minimum requirements

The decision is reported in the latest edition of the internal magazine, Intercom.

Those that submit tenders will have to supply information on their own policies of affirmative action regarding ownership, control and decision-making in their businesses, as well as progress on their own involvement in the Government's Reconstruction and Development Programme.

A committee is likely to be formed this week in order to consider tenders, but those on the committee who have an interest in any specific dealings will have to recuse themselves.

Advertisements inviting tenders must be published to specifically include tenders that benefit marginalised groups in the province where that tender originates

IBA broadcasting report flawed — critics

(260) BO 8/11/95

Ingrid Salgado

THE future of terrestrial broadcasting in SA had been disadvantaged by the Independent Broadcasting Authority (IBA) granting licences to satellite broadcasters ahead of terrestrial deregulation, Primedia Broadcasting told the communications parliamentary committee yesterday.

Primedia, the sole shareholder of Radio 702, said satellite broadcasters would have a head start in advertising revenue and market penetration long before terrestrial broadcasting was fully developed. This would lead to an insubstantial domestic terrestrial industry.

The communications committee is holding hearings on the IBA's recent report to Parliament on the future of public broadcasting and cross-media ownership.

Primedia said the IBA's report

had ignored the global trend towards more focused niche channels. Consumers were becoming more specific, which changed the way they watched programmes.

The company said increased competition would raise the level of advertising revenue in the broadcast industry.

"Conventional wisdom" that new stations would reduce revenue available to broadcasters was false. This was the IBA's view in its report.

Primedia said the report did not investigate sufficiently the funding and viability of the public broadcaster and had not taken account of the manner in which the industry was changing globally. A holistic industry study should instead be commissioned.

New entrants to the medium would leapfrog into state-of-the-art technology and increase pro-

gramme choice. Monopolies would be forced to change to cope with "nimble new competitors", the company said.

The IBA report recommended that only one private television licence be granted, in addition to two SABC channels.

The Freedom of Expression Institute criticised the IBA report for recommending that only one private television licence be granted. This failed to address historical imbalances, the committee was told.

The institute proposed that the state instead funded the SABC entirely — opening up the corporation's segment of the advertising market for another television channel. In the US, radio and television "unashamedly" sought audiences for their advertisers, necessitating the separate creation of public broadcasting.

Upgrading SA's radio service

(260) Stawetan 9/11/95

Much work is going into expanding and improving radio in SA

By Victor Metsoamere

RADIO IN SOUTH AFRICA has come a long way and has a bright future said SABC Radio chief executive officer Mr Govin Reddy at a recent briefing

In the past SABC Radio was merely the forgotten half of the discredited state broadcaster, said Reddy "Our news department was badly trained and out of touch"

And the African language stations, the core of the SABC's radio portfolio lacked resources

"There was no training plan for radio" said Reddy "Our staff complement was overwhelmingly white, even in key programming areas Some of our programming services were outdated, losing listeners and in need of urgent repositioning"

Reddy and his colonels took one of their biggest gambles and transformed SAfm This incurred the wrath of irate white South Africans, who complained that the move to include black show hosts and top officials would mean a dismal drop in standards

However, said Reddy, "there is a lot more to SABC Radio than SAfm In the last year, we have spent R48 million on our news services, which amounts to 11 percent of our budget We plan to spend R86 million in the next financial year, which amounts to 15 percent of our budget"

"Over the past year, at least 150 news personnel have been sent on training courses The training has paid off in what I firmly believe is an improving news product Our improving product is reflected in some provisional research recently completed on radio news

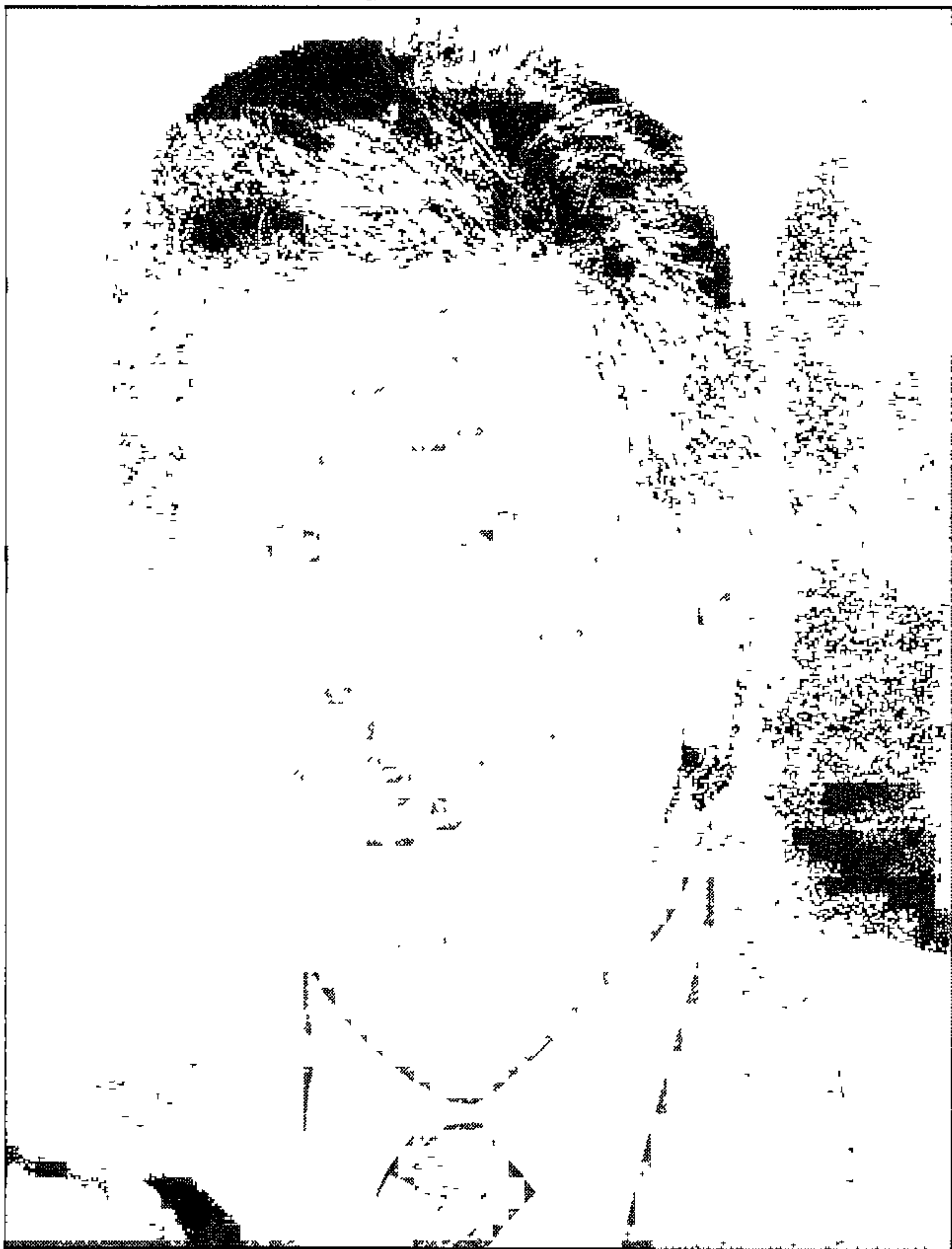
"The qualitative research on a few focus groups found that listeners feel strongly that radio news bulletins and actuality programmes have improved over the past year, and better reflect the reality of the new South Africa"

Reddy said training at SABC Radio has been enhanced by the presence of overseas media experts who have shared their expertise on broadcast management, journalism and programme design and development.

Yet another price that SABC Radio has had to pay in its bold attempts to improve services concerned its affirmative action policy. Both white and black staffers threw tantrums and said people from outside the corporation were mostly getting preference

"Our staff complement, while not the kind of profile we are aiming for, is now 54,83 white, and 45,17 black," said Reddy "We are confident we will reach a 50/50 race profile by the end of 1997 We are also in the process of setting goals for gender composition"

In order to tackle the discrepancies in the allocation of resources between white and



Govin Reddy ... radio has a bright future in South Africa.

black radio, Reddy said R88 million will be spent on the corporation's African language stations.

"As we move forward over the next few years, SABC Radio will build on the changes which have already taken place in our goal to build a responsible public service radio, reaching more South Africans than any other medium"

Educational programmes

About R7 million has been allocated for educational programming on radio. "This means stations will be able to employ fulltime educational personnel and make better educational programming," said Reddy

According to Reddy, the SABC has made strides in radio broadcasting SABC Radio's external arm, Channel Africa, for example, now reaches more than 10 million people in Africa, broadcasting in seven languages

And SABC Radio's parliamentary coverage is excellent with a 12-member staff who file daily reports in most official languages The team will report in all languages next year and will have members who are based in Cape

Town, Johannesburg and Durban

SABC Radio's new baby will be a youth station, based on research that states that within a few years, 75 percent of South Africa's population will be under the age of 25

"While the Independent Broadcasting Authority has given the station the go-ahead in principle, it has not guaranteed the station a national frequency Quite frankly, without a national frequency, the station is a bad idea," said Reddy

SABC Radio has spoken to the IBA and is certain that the IBA will consider its reasons for a youth station and grant SABC Radio a national frequency The SABC has welcomed the IBA recommendation that it sell its commercial radio stations but will keep Radio Lotus and Good Hope FM

"These stations serve two of South Africa's minority communities (Good Hope FM's audience is 84 percent coloured, while Radio Lotus has a large Indian audience)," said Reddy "The SABC, as a public broadcaster, is best placed to serve these communities and the sale of those stations will disrupt plans for refining our services"

Privatising radio 'loss to communities'

PRETORIA: Privatising Radio Lotus and Radio Good Hope would be a disservice to the Indian and coloured communities respectively served by the two stations, the SABC said here yesterday.

SABC radio chief Mr Govin Reddy told the parliamentary communications portfolio committee this should not be seen as pandering to apartheid. There was nothing wrong with ethnicity per se.

"We have culturally distinct communities who are now served by public stations. Changing that would be a disservice to those communities," he said — Sapa

(260) CT 9/11/95

SABC says it thinks it's time to curb the magic

(260) Star 9/11/98

By MICHAEL SPARKS

The SABC has called for a "serious review" of M-Net's open-time broadcasts, since the conditions specified when the open-time licence was granted had been reached a long time ago.

Gert Claassen, chief executive of television and operations at the SABC, told the parliamentary portfolio committee on broadcasting that in terms of the licence originally granted to M-Net, the open-time window was a "unilateral agreement between M-Net and the Government of the day", granted until 20 000 decoders had been sold.

There are currently nearly 1-million decoders, but the open-time broadcasts continue, a position Claassen described as "totally unjustifiable".

This had a substantial potential effect on funding at the SABC, since M-Net received more than 70% of its R430-million in advertising revenue during open time. If open time were no longer permitted, that revenue would be spread among all players, reducing the need for the SABC to seek funding from Parliament, Claassen added.

He called on the Independent Broadcasting Authority (IBA) and the parliamentary committee to ser-

iously review the agreement.

M-Net refused to comment on Claassen's statement.

During the corporation's submissions, they also explained the request for government funding of R496-million. They said it was necessary to broadcast the levels of local content, provincial broadcasting windows, educational programming and programmes in the country's 11 official languages called for by the IBA, and to fulfil its mandate as the country's public broadcaster.

Claassen said the corporation would be able to survive if it was granted two television licences, but both the viewability and funding for

the broadcaster would suffer.

Trying to fulfil its mandate with just two channels would lead to a multiplicity of languages on each channel which would not be user-friendly, leading to fewer viewers and therefore less advertising.

On provincial broadcasts, Television News Productions head Jill Chisholm said last week there had been news feeds from the nine provinces during the election, which had been judged as a success.

She said the corporation wanted regional transmitter splits every day and had already committed R23-million to start them in four regions during the coming year.

Begging to serve the public

A review of the IBA report has generated much debate in broadcasting circles, writes **Neil Bierbaum**

It was like being in a northern suburbs parking lot, all the beggars out, trying to coax you into their parking, for a gratuitous fee. The SABC management arrived en masse, hats in hand, cameras in tow, to the third day of the hearings held by the parliamentary select committee on communications in response to the Independent Broadcasting Authority report. They wanted money. Lots of it.

The IBA council was relaxed and amiable, having passed the buck. The mood was jovial — African National Congress members calling each other comrade and National Party MP Martinus van Schalkwyk the victim of a badly timed slip referring to the SABC as the "ANC".

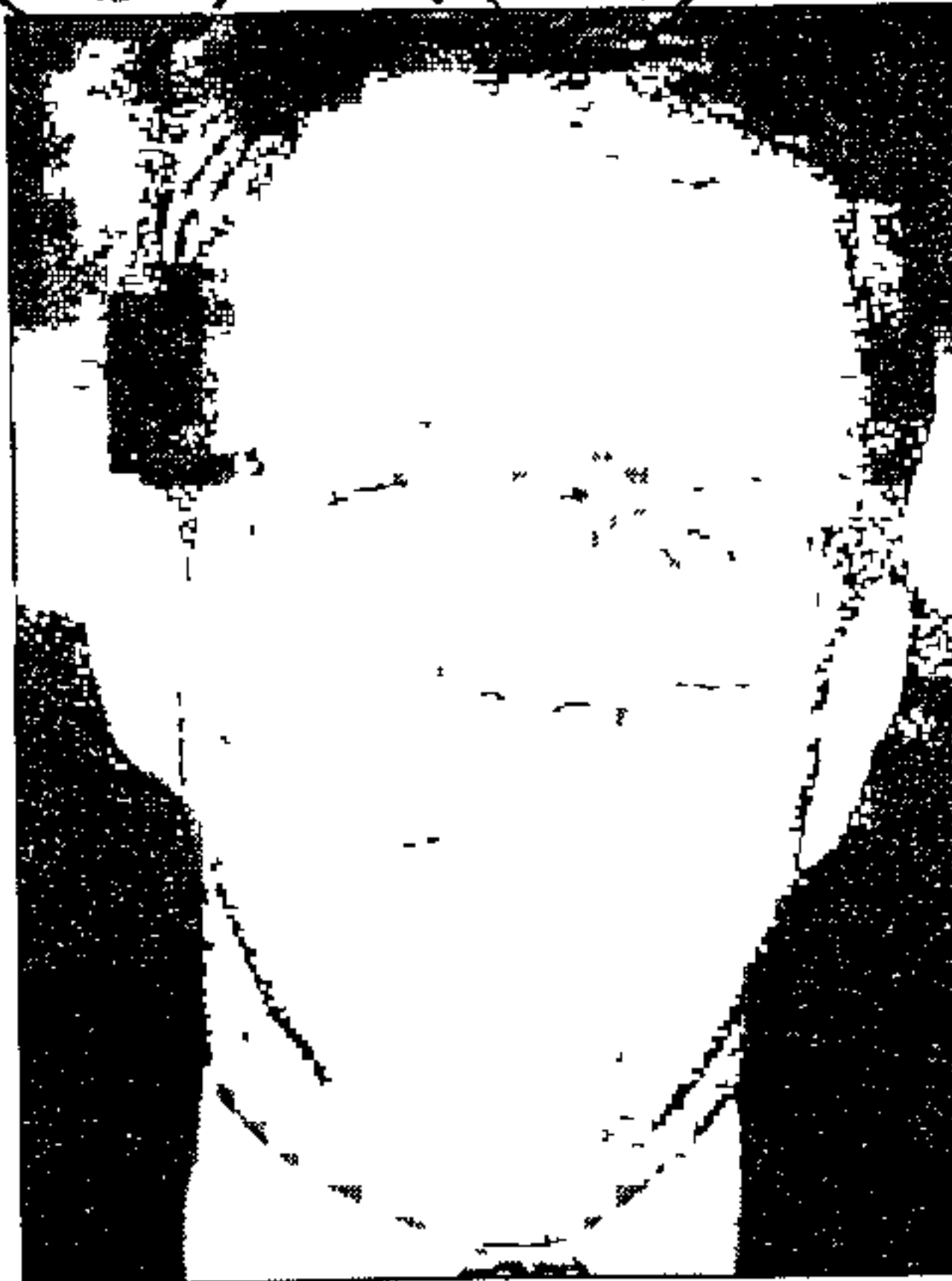
In his opening address, IBA co-chairperson Peter de Klerk laid down the parameters for the decisions which the IBA had taken and the trade-offs which the select committee would have to weigh up. He emphasised the inverse relationship between the number of channels that the market can support and the levels of local content that those channels would have to carry. Likewise, increased public service obligations would limit the number of stations that the market can support. Higher local content and public service obligations would in turn increase the level of state funding required, if the number of channels increases.

Hence, the fulcrum of the television debate is whether the IBA was correct with its deliberately conservative assumption that the market cannot support four television stations. If we are to grant a licence to a private commercial station, it says, then the SABC will have to give up one of its channels.

Gathered around the parliamentary limousine was the SABC mendicant, happy to concede that there is room for another channel. On the edge of this circle, doing his tightrope act, was Quentin Green, former head of SABC TV and now after a licence of his own, supported by a well-balanced consortium. He agreed that the SABC needs three channels to fulfil its public service mandate given the language and cultural diversity of the country, and that a fourth channel could survive in the midst of this. He is confident that South African advertising revenue will grow at a much higher rate than the GDP. He backed this up with advertising revenue figures which showed that new media grow advertising spend in all sectors rather than shrink it.

Green proposed that much of this could come from developing other revenue sources and thereby alleviate the pressure on government to provide funding.

(260) M+G (PMM) 10-16/11/95



Carl Niehaus: Rooting for a third SABC channel

PHOTOGRAPH THEMBA HADEBE

The SABC echoed Green's sentiments that with a more imaginative approach to generating alternative revenue sources and more effective control of costs, the reliance on government could be alleviated. The SABC also suggested that the M-Net "open window" of unencoded time, during which it earns about 70 percent of its advertising revenue, be closed. This would free advertising spend into the market, they said. However, this is unlikely as the open window is entrenched in M-Net's grandfathered licence.

SABC chief operating officer Gert Claassen stressed repeatedly that the trade-off for the SABC is between funds and the level of public service obligations that the SABC can meet. The third channel, he said, which would be on a slightly expanded NNTV network, would be the commercial revenue generator for the short to medium term. He predicted that the two main channels, which would carry a mix of Nguni and Sotho languages and Afrikaans, would become the major revenue earners in the medium to long term. With only two channels, said head of the proposed English channel Louis Raubenheimer, "it would not be possible to give programmes in languages that everyone can understand in prime time".

Budget allocations for the current financial year, which began on October 1, include expenditure of R29-million to introduce four new provincial services next year — two in February, one in June and one in August. This would be the first step towards making the SABC "less Johannesburg based".

Other means suggested by the SABC to increase its alternative revenue sources



Zwelakhe Sisulu: We're no Oliver Twist

PHOTOGRAPH STEVE HILTON BARBER

included the marketing of broadcasting skills, services and equipment; the exploitation of programming, merchandising, commercialisation of assets, and satellite pay TV services.

So far the SABC's requests appear to have found some degree of sympathy with the committee members. ANC member Carl Niehaus believes they "presented a convincing argument for assistance", although he was cautious about how much could be made available. It was clear that the ANC camp had the needs of the broader population in mind as a priority. To this extent they are likely to support the SABC's quest for funding and for it to retain its third channel.

The funding mechanism was a problem for the NP. Van Schalkwyk was clearly opposed to blanket funding and seemed to be after assurance that there would be statutory protection that would shield the SABC from political influence. The NP wanted to see the programme schedule for two channels, which would be its preferred option, he said, although he added that it was "open to be convinced otherwise".

It was anticipated that the sale of radio stations would result in lost contributions to overheads of R36-million, if the stations were to be sold in May 1996. This would have to be made up elsewhere.

By the end of the SABC presentation, NP member Ike Bikitsha called the SABC "the Oliver Twist of the GNU". SABC chief executive Zwelakhe Sisulu replied that this comment would have been appropriate if the SABC had been receiving government funds in the past. Nevertheless, the point is valid, and the SABC will be waiting expectantly for the committee to open the window of its limousine and drop some change.

(247) (260)
Mungo Soggo

ESKOM has grossly overestimated figures for rural electricity usage, which means it will take far longer to recoup its R1bn-a-year slice of the reconstruction and development programme's mass electrification drive.

The parastatal said yesterday electricity usage in many rural areas was a seventh of the figure it had estimated for the 20-year break-even business plan set up when it started the electrification drive four years ago.

The group had still to estimate likely losses from the shortfall, which in some cases was less than 20% of what it needed to break even.

Industry commentators said the underrecovery could slow the electrification programme, which was already affected by widespread non-payment.

However, Eskom insisted the roll-out would not be jeopardised by the paltry demand for electricity. It would still make 300 000 new connections a year to the national electricity grid for the rest of the decade. Its drive, which makes up the bulk of the RDP office's programme, costs about R1bn a year.

"The poverty in rural areas is much worse than we thought and people use much less electricity," an Eskom spokesman said.

Many rural customers who had just been connected were using as little as 45 kilowatt hours a month, while the average was 83kwh.

When Eskom launched the programme in 1991 it was banking on average usage in newly electrified areas reaching 370 kwh a month by year seven, which would allow it to break even in 20 years. This meant that in areas where electricity use was the most paltry Eskom was underrecovering about

Continued on Page 2

Eskom

Continued from Page 1

R50 a month per connection — netting R7 instead of the R62 it would get from a customer who used 370kwh.

Eskom was selling "starter electricity kits" — including a kettle, an iron and a hot plate — at cost price in many areas in a bid to stimulate demand.

Eskom had never expected profit from the electrification drive, but it had also not expected such a loss.

Eskom had made more than

235 000 new connections to the national grid by the end of October and was on track for 300 000 this year.

It cost between R4 500 and R6 000 to make a connection in rural areas.

Local authorities have their own electrification programmes, which are supposed to bring the annual total to 500 000 connections.

The cash flow crunch from meagre demand comes on top of Eskom's struggle against non-payment, which has left it with arrears of about R230m.

Eskom has already admitted that non-payment could force it to slow down its electrification push.

SABC

Under escort

(260)
FM 10/11/95

When SABC financial chief Steve Schubach arrived back at Auckland Park after a short break in October, he was told that he would have to vacate his office and leave at the end of that week as part of the transitional process. He was also informed that the lock to his office would be changed and that he would be escorted out of the building by SABC security staff.

Schubach had resigned in September, but after discussions with CE Zwelakhe Sisulu it was decided that he would remain in office until the end of December (*Current Affairs* September 15).

The decision to temporarily replace Schubach with resources manager Talib Sadik was relayed to Schubach by Radio chief Govin Reddy, who deputised as CE while Sisulu had been overseas. Sisulu's decision was an attempt to stabilise the situation at Auckland Park, Reddy told Schubach. Because he is still on the SABC payroll it was agreed that Schubach would continue working from home.

The FM was told that Sadik, who had been an accountant in the office of former TV chief Quintin Green before being promoted to resources manager, asked Schubach whether he intended to remove any documents from his office. Schubach replied that he would only take personal files with him. Sadik also informed Schubach that the lock to his office would be replaced at the end of that week.

Later, Schubach was told by SABC security staff that they had been told by Sadik to escort him (Schubach) out of the Auckland Park building on the Friday. When confronted by Schubach, Sadik denied this. The embarrassed security staff indicated that they would only escort Schubach out of the building if they received written instructions to do so from top management.

However, Schubach raised the matter with senior executive Gert Claassen. Claassen apparently discussed the matter with SABC chairman Ivy Matsepe-Casaburri who cancelled any such instructions.

After the incident Schubach went abroad to deal with matters relating to some of the SABC's foreign assets. In Holland he had discussions with the management of an SABC-owned Dutch company, Auckland Programme Trade, which had been con-

ducting business on behalf of the SABC. It has been decided to keep the company running until such time as a double tax agreement with the US has been reached.

Schubach also visited the offices of another SABC owned company, M T Media Trade, which is based in Switzerland and had been established during the sanction years to distribute the SABC's Shaka Zulu production. At this stage it seems that this company may be closed down.

Schubach, who returned to SA a week ago, was not available for comment.

Meanwhile, other changes in the infrastructure of the SABC are being implemented. These include the positions of Educational Programmes chief Gerrit Coetzee, who is due to be replaced, and three of the regional news editors, Riaan Nel (Pretoria), Jac du Toit (Durban) and Ossie Gibson (Cape Town).

All three had received letters advising them that they will be replaced by editors who are able to speak the language of the region. The three have the choice of either returning to head office or accept retrenchment packages. The matter is under discussion.

Eddie Botha

Discordant notes in Bop protests

Star 10/11/95

(260)

By MICHAEL SPARKS

Two delegations with a vested interest in the future of the Bophuthatswana Broadcasting Corporation made representations to the parliamentary portfolio committee hearings on broadcasting on its future – with each giving a very different view.

Dr Molefi Sefularo, acting North West MEC for broadcasting, said that while the provincial government was in favour of a level of integration between Bop Broadcasting and the national public broadcaster, this should not be wholesale incorporation, and the regional broadcaster needed to continue to exist and contribute to the SABC.

"The North West government does not have any aspirations to establish a

broadcasting fiefdom in the province," Sefularo said.

When questioned about who owned the assets of Bop Broadcasting, Sefularo asserted that they resided with the province, but when questioned more closely Sefularo said that it was a complex legal issue which he did not want to discuss further.

Bulelani Ngcuka, who was chairing yesterday's meeting, said the issue of whether provincial broadcasters would be permitted was a political one still to be decided.

In a written submission by staff and management at the broadcaster, Sam Ramosa said staff "do not align ourselves in any way with the (North West government's) presentation".

Ramosa said the SABC had announced that there

were about 200 jobs for the more than 1 000 employees of the former TBVC broadcasters, and all management who were earning more than R75 000 a year would have to apply for any advertised posts, with no advantage over other applicants.

This had prompted most of the Bop Broadcasting employees to opt for the voluntary retrenchment packages available which the North West government supported until four days before the retrenchments were to take effect, he said.

Ramosa disputed the figures offered by Premier Popo Molefe that the retrenchments would cost more than R400-million, and said the real cost would be R83-million.

The hearings continue today.

Print media opposes IBA

By CHIARA CARTER

~~243~~ (260) SOUTH AFRICA's major newspaper groups have declared their opposition to further restrictions on the involvement of the print media in radio and television broadcasting

Nasionale Pers, Independent Newspapers, and Times Media Limited, all of whom are members of the Print Media Association, have backed the association's objections to regulations proposed by the Independent Broadcasting Authority's "Triple Board of Inquiry"

The board's proposals include a recommendation that any person who controls a newspaper should be prevented from acquiring financial control of both a radio and a television licence.

In a submission this week to the parliamentary

ST 12/11/95 committee considering the board's proposals, the association said the Independent Broadcasting Authority Act of 1993 adequately regulated cross-media ownership.

The association said it accepted the need for "intelligent regulation of broadcast ownership", but it believed the proposed limit of a 15 percent shareholding in a broadcasting licence was unacceptably low. The IBA Act allows for a limit of 25 percent.

The PMA also opposed a recommendation that any person who controls a newspaper read by more than 15 percent of readers in an area should not be allowed to control a radio or television licence which overlapped with the paper's circulation area.

The PMA said if the proposals were adopted, it might challenge them in the Constitutional Court

Durban's power cuts cost R65m

AD 13/11/95

(260)

Nicola Jenvey

DURBAN — Three of Durban's biggest industrial operations have jointly lost up to R65m in the past year to disrupted power supplies.

Engen, Mondi Paper and Sapref said at the weekend that a combination of human error, poor weather and cane fires kept interrupting power supplies, despite regular pleas to Eskom and Durban Corporation over the quality of service.

Sapref said that talks to bring a "quality of supply" agreement into customers' contracts had still to bear fruit.

Engen, which last month unveiled a R300m fall in attributable earnings to R116m for the year to August, said the 17 power cuts it had suffered during the period had cost it up to R3,5m each. Major dips cost it more than R5m.

Engen CEO Rob Angel said a cut of just a tenth of a second was sufficient to trigger a plant shut-down. The disruptions lifted wear and tear costs, cut yields of top-grade products as batches were downgraded and hit crude oil throughput.

According to Engen, 10 of its power-supply interruptions were due to Durban Corporation, and the others were blamed on Eskom.

Sapref MD Peter Fransen said it had suffered six major interruptions in the year up to July, "conservatively estimated" at R5m.

Each disturbance cost the oil refinery between R250 000 and R3m and delayed production by about 24 hours.

Mondi Papers senior electrical engineer Colin van Vuuren said it had lost 20 production hours to 11 dips this year, costing around R1m, excluding any effect on quality and engineering consequences.

"(This year) has been more favourable (but) . . . no voltage dip can be tolerated as we experience productivity problems," he said.

Disturbances affected up to nine production units at one time.

Durban Corporation said that 22 disruption cases had been reported in the year, up to March.

Transmission director Tony Dold said "millions of rands" were being spent by both the Corporation and Eskom to find solutions.

Eskom said last week that supply blips cost it the equivalent of 4% of total annual sales. It is planning to import US technology in a bid to shield its major industrial clients from the voltage dips.

Dold said that companies should also isolate the more vulnerable sections of their operations to minimise the damage.

'No garage sale' in restructuring of state

By BRUCE CAMERON

Warmbaths — The government will not be rushed into the restructuring of state enterprises, Stella Sigcau, the minister of public enterprises, warned yesterday at a top level conference on the restructuring of state assets.

"There will be no garage sale"

Sigcau was opening the conference attended by members of parliament, captains of industry, trade unionists and senior executives of the state enterprises.

She announced the next step in the process would be to appoint experts to advise the various task teams investigating the re-organisation of the various enterprises. The posts would be advertised this weekend.

There was a clear agenda to transform the state-owned companies into world-class enterprises. The process "must lead to growth and stability".

"We must not be overhasty and make a lot of mistakes. We will rue the day if we do."

There was also a need to break out of what had become a sterile debate on privatisation based on political dogma. A focus was required on the end benefits for the people of the country and to the

country as a whole

Sigcau said the process would require strong government leadership, good management of the state-owned enterprises, co-operation between the enterprises, unions and individual workforces, outside expertise, and private capital and partnerships where appropriate.

The process had to deliver economic growth, achieve RDP objectives, allow greater competition, and promote job creation, black empowerment and education and skills development.

Critical

A key factor in the whole process would be wide consultation with all stake holders, including employees and customers.

"The process of open and transparent consultation is critical to the whole exercise."

Sipho Shabalala, the head of the office for public enterprises, said the whole process had to be undertaken within the restructuring of the economy as a whole.

Issues such as the effect of re-organisation of state companies on the over-concentration in ownership of resources and the location of the wealth of the country had to be taken into account.

Govt will advertise for foreign advisers

BN 14/11/95 (260) Mungo Soggot

THE public enterprises department would start advertising locally and abroad this week for private sector consultants on restructuring and privatisation, the department said yesterday.

Jeff van Rooyen, special adviser to minister Stella Sigcau, said that to ensure transparency, Sigcau and Finance Minister Chris Liebenberg would choose representatives of foreign governments to help select the consultants.

The department has R10m set aside this fiscal year for the advisers.

They would advise the department and the task teams focusing on the restructuring of various state assets. If necessary, the department would ask for more mon-

ey to spend on advice, Van Rooyen said.

Meanwhile, Reuter reports that Sigcau told a restructuring "bosberaad" at the Aventura resort in Warmbaths that government should not be too hasty about the restructuring process.

She said debate on the matter had become sterile, concentrating on the means of privatisation rather than the most desirable ends.

"We have a clear agenda to transform the public enterprises into world-class organisations. We have an open and transparent process of public consultation in place, and we are now entering a broader phase of nationwide debate."

This week, Sigcau will begin a nationwide roadshow to consult groups on restructuring.

Public enterprise 'bosberaad' open

Consultation promised on state assets

ALIDA DASNOIS
Business Editor

WARMBATHS — Delegates to the *bosberaad* on the restructuring of public enterprises decided, after heated debate, not to hold today's session behind closed doors

The three-day *bosberaad* in Warmbaths was organised by the parliamentary portfolio committee on restructuring

Attempts by committee chairman Inkatha Freedom Party MP Mandla David Msomi to exclude the Press from today's session were strongly resisted by trade union delegates and African National Congress MPs

Mr Msomi claimed the management of the parastatals such as Eskom, Transnet and Denel, should be allowed to discuss the delicate issues of restructuring — and its implications for jobs — away from the public gaze

But, ANC MPs, including Tony Yengeni, and delegates from unions such as The National Union of Metal Workers of South Africa (Numsa) and the National Union of Mine Workers (Num), refused to close the session

"We are talking about public enterprises, and the public has a right to hear," said one delegate.

The unions are already angry because they were invited late to the *bosberaad*

According to Mr Msomi, Minister of Public Enterprises Stella Sigcau was not keen that unions should be present, but gave in at the last minute

The minister could not be reached for comment, but other portfolio committee members blamed the late invitation — the unions were only invited last Friday to the *bosberaad* — on Mr Msomi himself

Business Editor

MINISTER of Public Enterprises Stella Sigcau is to hold roadshows throughout the provinces to hear views on the restructuring of state assets

Ms Sigcau told a *bosberaad* on restructuring in Warmbaths, north of Pretoria, yesterday that trade unions, business leaders, black professionals and entrepreneurs, employees and customers of public enterprises, as well as the premiers of the provinces, would be consulted

"The whole process of open and transparent consultation is critical to the exercise," said Ms Sigcau.

She was attacked at the *bosberaad* by union delegates who complained that decisions on some state enterprises already had been made without their involvement.

Ms Sigcau said several special advisers on restructuring would be appointed.

ARG 14/11/95

MPs' ethics under scrutiny

ET 15/11/95 (260)

SPECIAL CORRESPONDENT

JOHANNESBURG: A European trip, laid on by M-Net for nine MPs, has prompted parliamentary watchdogs to call on the Ethics Committee to address the issue of companies providing trips for MPs.

Mr Richard Calland — head of the parliamentary Information and Monitoring Service for the Institute for Democracy in South Africa (Idasa) — said the trip presented a "clear conflict of interest" for those regulating the broadcast industry.

Mr Neil Coleman, head of the Cosatu parliamentary office, said "It rings hollow

to suggest there is no relationship between such trips and possible legislation."

M-Net chief executive Mr Gerrie de Villiers denied there was anything underhand and said the trip was "an example of private industry contributing to the knowledge of an under-resourced Parliament."

Broadcasting committee chairman Mr Saki Macozoma totally rejected the existence of any ethical conflict.

"We are not going to the Bahamas on holiday. Our intention is to meet the European Union, mostly dealing with regulation, and to discuss directly their experiences of television without borders."

No stop to the magic as M-Net's profit rises 43,2%

(260) CT (PR) 15/11/95

By PETER GALLI

Johannesburg — M-Net has posted a 43,2 percent rise in attributable profit to R20,815 million in the six months to end-September, figures released yesterday showed

Turnover was 23,4 percent better at R311,91 million on the back of growth in its subscriber base in Africa, demand for commercial airtime and satisfactory advertising revenue growth. The number of subscribing homes totalled 965 000 at the end of September

Operating profit surged by

32,2 percent to R32,115 million, while earnings a share — on an increased number in issue — gained 12 percent to 7,4c. No dividend was declared

Chief executive Gerrie de Villiers said the balance sheet remained sound, with financial gearing at 2 percent. "The focus over the next six months will be on digital services, which form part of the satellite-delivered Panamsat 4 channels

"These services were launched in October and now comprise the existing M-Net channel, the Movie Magic, Supersport and K-TV chan-

nels and are available to subscribers across Africa."

Multichoice posted an operating loss of R88,73 million owing to the development of subscription television operations in Europe and Africa and development losses from its then cellular telephone interests for the three months to end-June

A R59,93 million surplus from the unbundling of its cellular telephone interests, which took place at the end of June, helped reduce the attributable loss to R19,8 million. But a dividend payment of

R164 million — for the dividend in specie used to settle that unbundling — took total losses for the period to R183,8 million

In March the group deferred a surplus of R457 million from the consolidation of its television interests with those of Richemont SA. This surplus will be released over the next three financial years to match the additional losses arising from the transaction

M-Cell, the unbundled cellular telephone company, posted a R10,33 million loss for the period on turnover of R54,83 million.

Parastatals 'receive R1bn loan finance'

60 15/11/95

(260) ~~(297)~~

John Dlodlu

SA's parastatals had received concessionary loan finance worth more than R1bn from overseas donors, sources said this week.

Most of the loans, available at highly favourable terms, were provided by the Japanese Export-Import (Exim) Bank.

National electricity utility Eskom said it had signed a deal for a \$300m concessionary loan finance with the Japanese

bank. A spokesman said the loan had been drawn twice this year. "When we drew the first time the interest rate was 4,65%, and on the second time the rate was 3,5%, which is about 40 basis points better than market rates."

A Development Bank of Southern Africa spokesman said the bank had received a R360m loan to beef up its loan book from the Japanese bank, R55,8m from the Republic of China (Taiwan) and R70m from the Caisse Francaise de Developpement (CFD).

Discussions were under way with the European Investment Bank for a R100m loan and a further R100m from CFD. "We are trying to maximise the concessionality of these facilities," the Development

Bank spokesman said.

The Industrial Development Corporation said due to its commercial nature it had not accessed any of the concessionary instruments.

Transnet said it was negotiating with the Japanese bank for a loan to be used in subsidiary Portnet, but said the loan was not aid finance.

In its two-year \$1,3bn aid package, the Japanese government said \$500m worth of Exim loans would be available to SA institutions.

The SA government said at the weekend it had received pledges worth R6,4bn in concessionary loans.

Finance department international financial relations chief director Eltie Links said a breakdown would be made available later.

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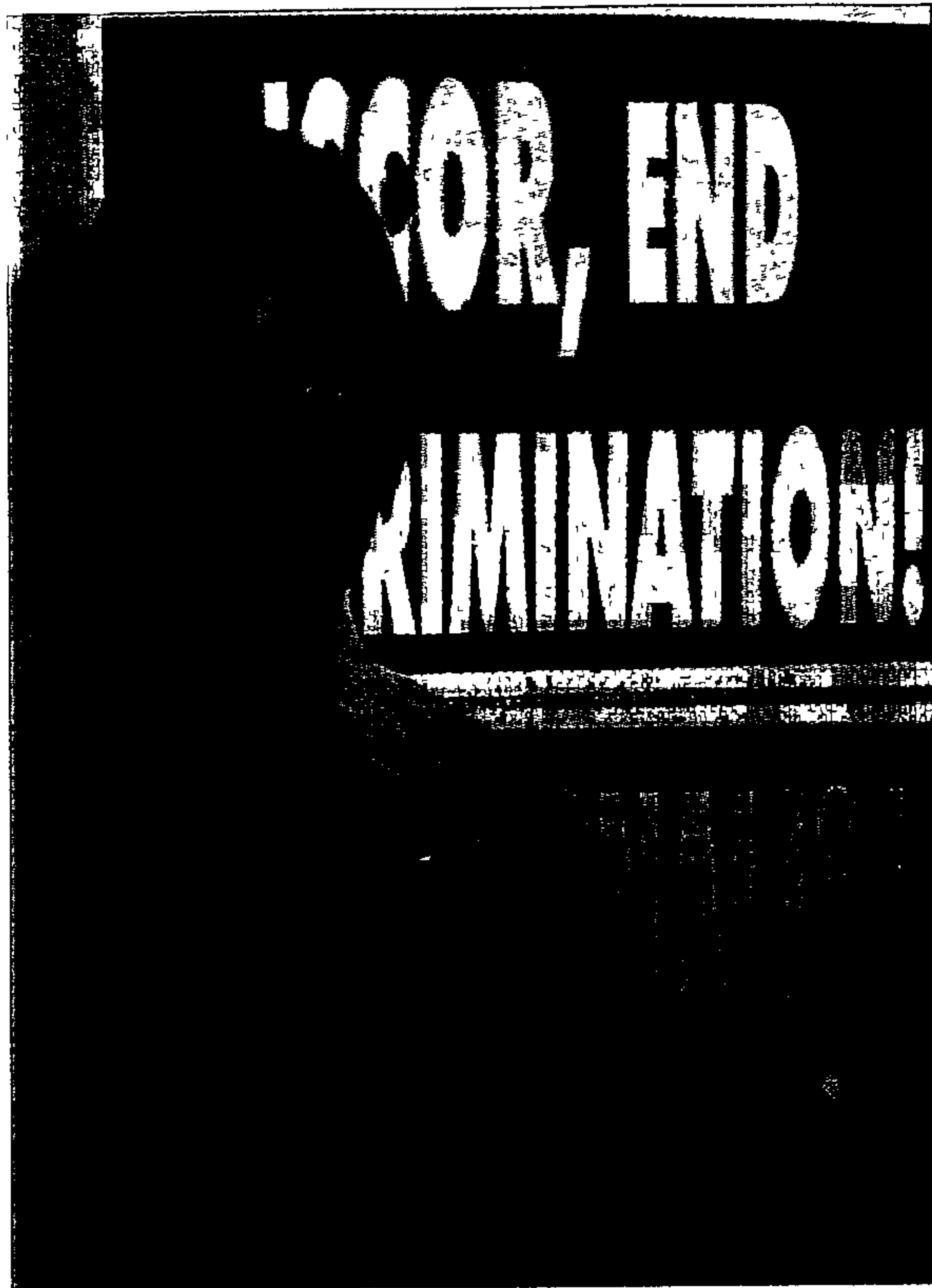
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CAUTIOUS Bafana Ndebele, a spokesman for National Union of Metalworkers, says it is only in the last year or so that things have begun to improve at Iscor PHOTO: TRAVIS MCCUE

Iscor management has its work cut out

CT(P.R.) 16/11/95

(260)

(REDACTED)

By ANN CROTTY

Johannesburg — It may or may not be symbolic but it's difficult, when you visit Iscor's head office just outside Pretoria, not to be struck as much by the dominance of the Voortrekke monument in the vista as by the large slab of greyness that is the head office.

Iscor management certainly has its work cut out. Not only is it attempting to cushion the impact of the highly cyclical international commodities, it also has to ensure its industrial relations profile is more in keeping with the new South Africa — without antagonising the important Afrikaans section of the labour force.

Neels Howatt, the general manager, acknowledges: "In the early days Iscor was seen as an employer of poor whites; it created jobs for poor Afrikaners just as Transnet

passed on whether or not Iscor's recent performance improvement is sustainable.

According to predictions, the top of the present cycle will be reached in 18 to 24 months, after which it's downhill for a few years. Then comes the real test of Smith's management style. Certainly the balance sheet is looking strong even after stripping out the receipts from last year's rights issue.

The group has, and will continue to, extend its exposure to what it has defined as its area of business, the metals and minerals sector, in an attempt to extend its growth cycle and make the bottom line less susceptible to the international commodity cycle.

As Howatt tells it, the years ahead will reap the benefits of the Smith-style of management which has been characterised by "a new focus on strategic issues, decentralisation of management; emphasis on cash flow

Neels Howatt, the general manager, acknowledges "In the early days Iscor was seen as an employer of poor whites, it created jobs for poor Afrikaners just as Transnet and Eskom did. It used to be very Afrikaans, but it has changed over the years."

That it has not changed sufficiently for the mass of the black workers is evidenced in its rejection by the Community Growth Fund. Howatt dismisses this rejection as being based on experience at one or two of the group's operations.

The research report, which was the basis of the fund's decision, is highly critical and it is evident the problems are far more widespread than Howatt suggests.

What is encouraging is the number of strengths referred to in the report. Improved management means it can now afford to embark on an expansionary drive, its training budget amounts to an estimated 5 percent of the payroll, a dramatic improvement on the Breakwater Monitor average of 2,5 percent, about 25 percent of artisan trainees are black (Howatt disagrees, stating a figure of 45 percent) and, 55 percent of the staff undergoing training are black.

Unfortunately for Iscor, not just because of the exclusion from the growth fund, but because of the implied amount of change needed in the coming years, the report refers extensively to weaknesses in its industrial relations. The question is, is management capable of implementing these changes and, what are the implications for the sustainability of the group's recent improved profit and share-rating performance?

To what should one attribute the recent steady improvement in Iscor's profit — the benefits of the group's privatisation in 1989, massive retrenchments and a new managing director in 1993, or just the ebb and flow of the international commodities cycle?

As management would tell it, privatisation has had a major and positive influence on the group's operation. "If you compare Iscor in 1995 with Iscor in 1989, they are two very different companies. Today people work, think and act differently, there's much more enthusiasm. Many of the employees are shareholders and now have pride in their publicly listed company," says Howatt.

The unions are far from convinced. According to Bafana Ndebele, a spokesman for the National Union Of Metalworkers (Numsa), in the initial years of privatisation there were no perceptible changes. It is only in the last year or so that things have begun to improve. They attribute this to a combination of the management style of new managing director Hans Smith, the turn in the commodities cycle and the fact that the massive reduction in employee numbers saw a lot of middle and lower-rank managers take early retirement.

Certainly the profit performance of the past six years does little to support the claims of the privatisation lobby. It's likely to take a couple of turns of the commodity cycle before accurate judgment can be

reap the benefits of the Smith-style of management which has been characterised by "a new focus on strategic issues, decentralisation of management, emphasis on cash flow and an awareness of the need to manage the various cycles in different ways."

To its credit, Iscor has managed to avoid major industrial relations strife in recent years, but it is difficult to see how long this will last if it cannot speed up the pace of change on this front.

Minimum wages are among the lowest in the "house agreement companies." According to the unions, workers have no accessible documentation on conditions of employment. Although it has won awards, both the National Union of Mineworkers and Numsa are far from satisfied with the health and safety conditions at Iscor, referring to the age and design of the plants which makes for serious pollution problems.

These unions also report union-bashing, intimidation and victimisation of workers and the 1,8 percent of management that is black is well below the Breakwater Monitor average of 2,5 percent.

One of the most sensitive issues in recent years has been management's approach to retrenchment. Ndebele reports that information provided to the union justifying retrenchments has frequently proved to be incorrect. "We're told the number of artisans employed at a plant has to be reduced for various reasons, and we subsequently find out they use white subcontractors to do the retrenched jobs." In general, lack of consultation and suspicion have characterised the retrenchment process.

But there are signs of encouragement. Last year, in the Newcastle plant, 1 200 jobs were to be cut. Numsa stepped in and challenged management on the issue of retraining workers. A programme was implemented whereafter management decided they needed to retrench 559 workers.

For its part, Numsa also acknowledges the need for change. "In the past we persuaded our members against multi-skilling, now we're demanding training and upskilling. Unfortunately now some of our members feel they're too old to start training," says Ndebele.

Last year's introduction of a top-level strategic forum at which top management makes presentations to union officials on corporate strategy may assist the process of change. Ndebele is encouraged but cautious about the dangers of co-option. "The exercise is about an exchange of information. It is useful to the unions, but is not a bargaining tool."

In the longer term, he is aware of the threats to Iscor from more open international competition, bringing in its wake the threat of mechanisation. "The pace of change has to be gradual to allow for retraining to areas where there is job growth."

For management, given the extent of change on the horizon, it would be more efficient — and not just politically correct — to ensure employees were on-side to ensure employees were on-side

**Performance
does little to
support the
claims of the
privatisation
lobby**

Eskom plan to limit supply disruptions

Nicola Jenvey

(260) (260)
BD 16/11/95

DURBAN — Eskom is to spend R50m securing isolated channels through sugar cane fields in a bid to limit power disruptions caused by cane-burning.

Eskom lands and rights director Ernest Grunewald said yesterday that the utility planned to "buy" 23,5m-wide tracts of land through cane fields which would remain cane-free.

Although the land would remain the farmer's property, Eskom's permission would be needed before sugar crops could be planted beneath the lines.

Out of the 15 power lines in KwaZulu-Natal of 275kV and greater, nine were under negotiation with cane growers and the remainder were scheduled for discussion in due course.

Eskom transmission maintenance manager Pat Nardoo said the current Operation Firebreak, in which farmers warned Eskom in advance when cane was being burnt, was "working very well".

"Servitudes are under consideration, depending on the outcome of talks with the industry," he said.

Grunewald said Mpumalanga sugar cane farmers had suggested harvesting cane without burning. This would be reviewed later should Eskom find servitudes would also be needed in that region.

Another proposal on the agenda of the quality of supply forum — which includes representatives from business, Eskom and Durban Electricity — was the establishment of a quality of supply laboratory at the University of Natal, Durban.

University electrical engineering lecturer Greg Diana estimated establishing the research centre would cost R4m, of which government had guaranteed 50% provided industry put forward the rest.

Diana said about R2bn was lost to SA industry annually through power cuts and dips. Research into improved quality could save 20%-25% of these losses.

Chisholm made acting chief exec at SABC-TV

Jill Chisholm, only recently returned from the UK to take up the post of editor-in-chief of Television News Productions at the South African Broadcasting Corporation, has been appointed acting chief executive (television) at the corporation.

SABC group chief executive Zwelakhe Sisulu also announced yesterday that Gert Claassen, the corporation's chief executive (operations), was to take charge of the satellite television initiative, while retaining his other responsibilities.

Chisholm's appointment is only acting at this stage until a final decision is taken on who should fill the post. — Staff Reporter.

(260) Star 16/11/95

SABC accused of (260) insulting coloureds ARG 17/11/95

Political Correspondent

THE SABC has been slammed for "ridiculing, lampooning and making fun" of coloured people in recent programmes, turning them into an object of entertainment, which is distorted and insulting.

This charge has been levelled at the public broadcaster by Democratic Party provincial legislator and former rector of the University of the Western Cape, Richard van der Ross

He was "extremely concerned" at the nature and context of several recent programmes, including Agenda, chat shows and documentaries.

"The theme of most of these has been that of identity, which is a universal and serious matter.

"Unfortunately, these programmes lean heavily in the direction of ridiculing, lampooning and making fun of coloured people. There is more entertainment than enlightenment, more joking than thought-provoking."

Mr Van der Ross said the programmes created an overall impression that the coloured community "need not be taken seriously because they do not take themselves seriously".

SABC

Not user-friendly

SABC senior staff differ over whether the corporation's coverage of the recent local government elections was a success

At the centre of the spat is a locally designed computer programme, which was developed to receive and analyse incoming results from eight provincial centres.

SABC news teams, especially from radio, question the efficiency and cost of the Data Capturing project. And in Gauteng, many

radio journalists say they could not depend on the computer to supply any results in time and that they had to obtain these physically from the electoral agents to broadcast them

At least one senior SABC staffer directly involved with the project has expressed certain concerns in a memorandum to the SABC's election team. The group, headed by Solly Mokoetle, will convene next week for a reportback meeting.

Izak Minnaar, who co-ordinated TV's election broadcasting, admits there were some hiccups mainly because expectations that results would be made available immediately could not be met. "But we can now build on the experience we have gained."

Minnaar says it had been decided at the outset that the SABC would, with the help of foreign experts, develop its own computer programme to handle the results. The system that was developed depended on the input of all the results from a specific electoral area (council) before the computer analysis function could be entered.

"In some cases, this could not be done because of disputes in a specific ward, incorrect or misspelt names or candidates who had changed from being independents to party affiliations."

No criticism

Because the task team had foreseen problems, it was also decided that, as back-up, news reporters would be used to gather results in cases where the complete results could not be entered into the computer, says Minnaar. "I have neither received any official criticism nor seen any official memo or document dealing with the issue. The matter may, however, have been raised by radio news members during a postmortem."

He says the success of the project is illustrated by provincial and national electoral officials having regularly requested information from the system. The SABC has also made it available on the Internet.

Minnaar says it is hard to say what the exercise cost. "This was the first time we tried a project of this scale. We bought about 150 terminals for it but they will probably be absorbed as part of the SABC's normal budget for computer equipment."

The SABC was assisted by Quest Personnel, which recruited temporary data typists. Quest's Kirk Walker and SABC input manager At Viljoen twice visited the eight regions to help with computer training.

Delays came about because the computer's analysing function is triggered only by a complete set of council results. Then more time was taken up as corrections had to be made at Auckland Park.

Also, as a security precaution, changes made had to be authorised by two teams, each with different codes. "We went overboard on the security aspect," says a senior project manager.

Eddie Botha

Storm on the small screen

(260)

By GEORGE MAHABEER

ST 19/11/95

AFRIKAANS television news will be cut to three times a week in the new year.

There have been protestations from some Afrikaans sectors that the changes were part of a process of reducing Afrikaans to a "kombuistaal".

Francois de Vos, the Conservative Party and Afrikaner Volksfront spokesman, warned: "If this is the case — that Afrikaans is being downgraded — we will mount a campaign not to pay licences."

"Afrikaans and English TV owners are the most consistent payers of TV licences," he said.

In terms of the new format, which will be launched on February 5, Afrikaans will share the new Channel 2 (TV1) with three as yet unspecified black languages.

English news will be screened daily but will move to Channel 1 (CCV).

NN-TV will become Channel 3, a fully commercial station with only English programmes. The programming on Channel 1 and Channel 2 will focus on education, "nation building" and local entertainment.

All three channels will screen local and international feature films.

POLITICS

Eskom workers get houses

260
Sowetan 21/11/95

By Abdul Millazi
Labour Reporter

BLACK workers at Eskom, who have for years been confined to overcrowded hostels, will for the first time be allowed to occupy family houses previously reserved for whites only.

This follows Eskom's decision last week to change its housing policy after three years of persuasion and negotiation by trade unions.

According to an Eskom spokesman, the new policy included upgrading the hostels into single quarters and increasing the housing loan from R13 000 to R22 000.

Currently hostels, including those on the mines, house between 12 and 16 workers per room.

National Union of Mineworkers (NUM) spokesperson Ms Sue Moorhead said "We have made significant gains for our members with the new Eskom Accommodation Policy. We now have to make sure that the policy works and that we get involved in local and regional housing structures to push for results."

Workers who wish to buy Eskom houses will receive a 20 percent taxable discount based on the market value of the house while those who are renting privately will receive a rental subsidy.

Moorhead said the new policy means that family houses will now be open to all workers regardless of job grade and the only criteria would be the number of years of service and number of dependents.

She said Eskom's decision took the unions by surprise because the issue had been negotiated for three years without an agreement being reached.

"Now the mines have to follow Eskom's cue. Black people are still bundled into one room while their white colleagues enjoy the luxury of family houses," she said.

Managers of parastatals must answer to the public

CANDIDLY CAMERON



By BRUCE CAMERON

Unionist reject arguments for privatisation and concentrate on the issue of job losses

It's the atomic-bomb theory," said Ronald Roberts of Mose-neke and Partners, the consultants who have had a significant influence in shaping government's view on privatisation — or whatever one wanted to call it.

This statement, at the parliament-sponsored and rather chaotic conference on the reorganisation of state assets at Warmbaths last week, had delegates pondering what the issue had to do with atomic bombs.

The theory goes like this: the previous government only moved to get rid of the atomic bombs it had constructed in ultra secrecy in the 1980s "when it saw the darkness of democracy settling upon the land".

For the same reason, the government of yore started rushing the process of the commercialisation of state assets in the late 1980s and early 1990s, with most being removed from direct control of parliament by 1992.

Pieter van Huyssteen, the chief executive of Price Waterhouse Corporate Finance, told the conference it was the economic distortions created by the growing and undisciplined intrusion into the economy by the parastatals, muscling out the private sector, that forced the issue

Whatever the causes, the process so far has essentially been driven by the management of the parastatals, with very little consultation with the stakeholders, particularly with employees and the public.

"The only time we are consulted is when they (management) want to work out retrenchment packages," said Stephen Maphah, the National Union of Metalworkers representative at the conference.

The result is the unions and others wanted the process slowed further, if not stopped altogether.

At the conference the union representatives, already peeved by the tardy and belated way they were invited to participate, made repeated calls to stop the process.

There were also calls for the existing management, seen as the same management appointed by the previous government, to be thrown out. The union representatives firmly rejected arguments favouring privatisation and concentrated on the issue of job losses.

Issues such as the load on the fiscus and the taxpayer of uneconomical or, uncompetitive parastatals, and the mere fact that a number of the state enterprises could collapse from overstaffing or lack of capital, did not feature in labour union arguments.

And the fault for all this lies squarely with the management of the companies. Although there are a few exceptions, the managers of the parastatals do not seem to realise

they are managing assets owned by the public, and no matter what they think, they are public servants and are answerable to the public.

Neither do they seem to realise that unless they bring along the unions in way that is not paternalistic, they could sabotage themselves.

They also do not seem to realise that the previous government's days of secrecy are now over, and the public has an increasingly enforceable right to know.

Initially, the parastatals at the conference attempted to make a deal that their presentations would be held away from the prying eyes of the media. But the move failed when members of parliament objected, saying the process should be as transparent as possible.

Transnet's Anton Moolman was asked by Business Report for a copy of his presentation (before the intervention of the parliamentarians). He refused, saying he was not accountable to the media.

Like many of his buddies in the now defunct National Party government, Moolman failed to understand the media was there as an essential part of the democratic process to inform the public.

When this was pointed out to him, he argued that the public did not need to be consulted.

Take the pipelines controlled by Transnet subsidiary, Petronet, as an example, he said. If he wanted to convert one pipeline to transport gas and the other for petrol he needed only to consult the stakeholders, who were customers.

Wrong, Moolman. The pipelines are owned by the public and because of the inefficiency of your organisation and its monopolistic tendencies, the public is paying a good few cents more than they should for every litre of petrol they buy. This is why they are vitally interested.

When Moolman got around to his presentation he continued to play the smart guy.

He said he would give parliamentarians and unions a copy of his full presentation, with only the information that might be useful to competitors being excised. But he went further, covering up the essential parts of transparencies showing a matrix of the stage of commercialisation of the Transnet subsidiaries. Of what use those would be to his competitors he failed to explain. To get back to the point — the

management of the parastatals could pay a price, and the taxpayers could as well, for the way in which the unions have not been brought along as part of the process.

Although most retrenchments have already occurred, there are probably enough left to be carried out to have the unions leaping about. And the unions have influence in parliament.

It should also be remembered there are still a substantial number of people in parliament and in the unions who are opposed to commercialisation of state assets on purely ideological grounds.

They would like to see greater government intervention in the economy to create jobs.

Dave Brink, who was at the conference in the dual capacity of president of Business South Africa and as the chairman of Denel, said in an interview that South African management was backward in its management style — in the public as well as private sectors.

They needed to move from managing to leading. In defence of South African managers, Brink explained they were hard-pressed and often did not have the time to consult fully.

New housing deal on cards

at Eskom

(56) (260) (123)

Eskom's black workers will for the first time be allowed to occupy family houses previously reserved for whites only, after being confined in the past to overcrowded hostels. Eskom decided last week to change its housing policy after three years of negotiations with trade unions.

An Eskom spokesman said the new policy included upgrading hostels into single quarters and increasing housing loans from R13 000 to R22 000. Hostels presently house between 6 and 12 workers per room.

National Union of Mineworkers spokesman Sue Moorhead said. "We have made significant gains for our members with the new Eskom accommodation policy. We now have to make sure that the policy works and that we get involved in local and regional housing structures to push for results."

Workers who wish to buy Eskom houses will receive a 20% taxable discount based on the market value of the house, while those who rent privately will receive a rental subsidy.

Moorhead said the new policy meant that family houses would now be open to all workers and the only criteria would be number of years of service and number of dependants. She said Eskom's decision took the unions by surprise because the issue had been negotiated for three years without an agreement. "Now the mines have to follow Eskom's cue. Black people are still bundled into one room while their colleagues enjoy the luxury of family houses." - Own Correspondent.

SABC boss fazed by 'dismissal threat' leak

(260) Sowetan
22/11/95

By Chris Steyn *Spectrum*

A WITCH-HUNT is apparently underway at the SABC to find the person responsible for leaking documents to Independent Newspapers about an incident involving chairperson Dr Ivy Matsepe-Casaburri allegedly threatening a news team with dismissals if they reported fully on a speech she had made.

Spectrum, the investigative unit of Independent Newspapers, was told that both reporter Thuthu Msomi, who was allegedly threatened by Matsepe-Casaburri, and a senior staff member of TV 1 News, who apparently was the only other person who had had access to the documents, were questioned about the leak. Both denied being responsible.

Sources inside the corporation fur-

ther claimed that "other attempts" were also being made to try and pin-point the leak.

In his comment yesterday SABC advisor (group communications) Mr Ken Modise denied there was a witch-hunt to establish who had "leaked" the documents, but added "Obviously it gives us great concern that private internal information is given to people outside of the SABC."

Leaking information

Modise said both the SABC Board and management were "working hard" to create a culture that ensured that all employees were proud to work at the organisation "in an environment whereby they can express themselves without having to resort to leaking information."

According to documents in the pos-

session of *Spectrum*, Matsepe-Casaburri allegedly told cameraman Jan Singleton that some parts of her speech should not be broadcast.

"She started to laugh" and said she was "warning" them because she would deny "some of what she had said" and that "someone would lose their jobs." She then allegedly pointed a finger at Msomi and told her "I am warning you (she laughed) I don't want to see it and I mean it seriously."

These exchanges allegedly occurred at the conference and launch of the release of the United Nations Human Development Report on Africa at the Carlton Hotel in Johannesburg last week.

Casaburri admitted to *Spectrum* that "in jest" she did say "something about someone losing a job", but that this was a "joke."

WEDNESDAY
★ NOVEMBER 22, 1995

Witch-hunt at SABC alleged over leak

(260) CT 22/11/95

CHRIS STEYN
SPECTRUM

A WITCH-HUNT is allegedly under way at the SABC to find the person responsible for leaking documents to Independent Newspapers about an incident involving chairwoman Dr Ivy Matsepe-Casaburri allegedly threatening a news team with the loss of their jobs if they reported fully on a speech she had made.

Spectrum, the investigative unit of Independent Newspapers, was told that both reporter Thuthu Msomi, who was allegedly threatened by Dr Matsepe-Casaburri, and a senior staff member of TV1 News, who apparently was the only other person with access to the documentation, were questioned about the leak. Both denied responsibility.

SABC Adviser: Group Communications Mr Ken Modise denied there was a witch-hunt.

Dr Matsepe-Casaburri admitted to Spectrum that "in jest" she did say "something about someone losing a job".

'Revamp private, public sectors'

By JOVIAL RANTAO

Political Reporter

Nov 23/11/95

Simultaneous management of political and economic transition was one of the crucial challenges facing SA, Prof Sipho Shabalala, deputy director-general in the Ministry of Public Enterprises, has told a conference in Johannesburg.

He said the main challenge was to determine and adopt the best strategies to manage the democratisation of state and social structures, and the implementation of economic restructuring and reforms.

Speaking at a conference with the theme "Restructuring Government", Shabalala said experiences from other countries had demonstrated that the democratisation potential had the ability to undermine economic reforms and restructuring, and vice versa.

"Transitional incompatibility arises from the fact that democratisation and economic restructuring, when carried to their logical conclusion, have high potential to undermine each other."

He said various countries had adopted different strategies to resolve the incompatibility. Some had avoided the simultaneous handling of both transitions, applying shock treatment either through "sneak attack" on the problem or through "bridge-burning" tactics.

Shabalala, who is part of the Government's team charged with restructuring

state assets, called for the restructuring of the entire political economy. Several current structures and relationships should be subjected to changes even before the privatisation agenda could be considered.

Alternatively, a privatisation approach that had restructuring and transformative outcomes with regard to the prevailing characteristics of the South African political economy could be considered.

"The dichotomy that exists within the political economy of the country leading to the existence of First and Third World economies has to be deconstructed. The private and public sectors should be subjected to restructuring," Shabalala said.

Speaking on affirmative action in the public service, Zonke Majodina, chief director in the Public Service Commission, said it was possible to achieve a representative civil service without sacrificing qualifications and standards.

Her study on population groups' representativity had revealed that whites were grossly over-represented, coloureds and Indians "slightly over-represented", and black people and women under-represented in the public service's estimated 342 occupational classes.

"A thorough investigation is required to determine exactly in which occupational class and at what post levels black people are under-represented. Appropriate measures can then be developed to address that," Majodina said.

SABC meets group over Afrikaans (260)

JOHANNESBURG — The SABC and the Action Group for the Empowerment of Afrikaans Users on TV (Tabema) have agreed to hold a conference on December 7 to give further attention to broadcasting schedules for Afrikaans next year, Tabema said.

This was decided at an urgent meeting of the two parties, it said in a statement in Johannesburg. Tabema had asked the SABC to reconsider its television programme schedules proposed for implementation on February 5.

"Afrikaans, as an empowering language and a medium for reconstruction and development, is being unfairly scaled down," Tabema said.

"The perception that Afrikaans is being reduced on television while air-time for other languages is increased is a critical issue." *ARC 24/11/95*

Tabema said it had told the SABC it disagreed that only English should be used as a general anchor language.

IBA appointments stalled

MTG (MM) 24-30 (11/95) (260)

Can the IBA afford the parliamentary delay in reappointing councillors when it has such a heavy work load? asks **Neil Bierbaum**

Delays in the reappointment of Independent Broadcasting Authority councillors has again come under fire, with industry players accusing Parliament of neglect — if not deliberate delays.

The IBA has been reported as saying that it has been "crying out" for Parliament to appoint councillors to replace those who have already left and others whose tenure expires early next year. Two councillors — Frank Meintjies and Harriet Ngubane — resigned soon after they were appointed and were both absent throughout the hearings.

The tenure of two other councillors — Lysdall Shope-Mafole and Christo Viljoen — will expire at the end of March next year.

Parliamentary select committee chairperson Saki Macozoma said at the parliamentary hearings in February that the reappointment of these two councillors would be the committee's priority for 1995. However, no adverts were placed for the positions and no appointments have been made, despite nominations having been submitted.

According to the National Association of Broadcasters (NAB) executive chairman Daniella Goldman, the NAB submitted two CVs but had no response. Solid Gold manag-

ing director Tony Sanderson says he knows three people who submitted CVs but had no response. Goldman says that the initial reason given was "to wait for the triple inquiry to be completed, they thought it would not be a good idea to bring in new people until the decisions had been taken about the SABC". Sanderson says he suspects that the shortage of councillors could bring into question the legal force of the IBA's decisions.

The Act specifies that there "shall be one chairman and six other councillors". Instead, there have been two co-chairpersons and six councillors. Only three councillors and the two co-chairpersons attended the hearings.

The Act does not specify what constitutes a quorum, although co-chairperson Peter de Klerk announced at the start of the hearings that the councillors then present would have to be present at every day but one of the hearings. The Act also states that any missing councillors should be replaced within a reasonable time. As Sanderson argues, there have been "no efforts made" to replace the missing councillors.

Says Goldman, "I don't know if one can say it's deliberate but it is certainly a distinct

omission with no reason given. It seems to indicate a certain complacency which is quite a concern, given their enormous workload."

There seems to be internal dissatisfaction with the mechanism of appointing IBA councillors. The responsibility lies ultimately with Parliament, which would have to advertise the position, receive nominations, draw up a shortlist and present the candidates to Parliament. The relevant parliamentary committee has neither an office nor clerks to handle this procedure. However, it is unlikely that more than a handful of nominations would be submitted.

Media consultant Michael Markovitz, who was instrumental in drawing up the Act, implied that someone could be delaying the reappointments. "All that was needed was for an appointment body to be set up," he said.

Others have blamed the Act for not being specific enough about the procedure for reappointments. Markovitz responded that he is "tired of people blaming the Act for everything" and that while it is not perfect, it does provide a system in which the IBA can operate. Sanderson concurs. "They decided to find the university for the child to go to before it's born. They want a perfect system but business is not like that."

Committee chairperson Saki Macozoma and other committee members are in Europe on a MultiChoice sponsored tour and hence were not available for comment.

Local radio takes on the community

MTG (BM) 24-30/11/96

(260)

Dedicated to providing the people of Alexandra with hard-hitting local news, ALX FM is proving that interactive radio is what people want. **Itumeleng oa Mahabane reports**

RAP star and erstwhile self-proclaimed hip-hop thugster Tupac Shakur hangs placidly from a wall in the studio booth at ALX.FM. The poster carries the title of his latest album, *Me Against the World*. The words reflect the attitude of some of the staffers at this Alexandra station. There's almost a swaggering confidence about them — perhaps borne of a determination to succeed as a fully fledged operation instead of just another community radio station. Or perhaps the attitude is influenced by the more experienced confidence of station manager Pascal Damoyi, a journalist since the late 1980s.

Current affairs producer and presenter Buras Nhlabati and education show host Phaniel Mashuna reflect that feeling. Both are scornful of the interview; it does not probe deep enough. To these folks, real news must be extracted from an unwilling, uncomplying source.

"You must get the person into a corner. Real news must be forced out," Nhlabati explains. "Yesterday someone wanted to pull a gun on me." "Why?" I naively ask. "Because I put him in a corner; made him frustrated and angry."

With that perception of what journalism ought to be and his aptitude for undercover work, he might do well to join an media investigative unit and "make a difference."

The station broadcasts local, national and important international news. For local news, Nhlabati and a couple of volunteers gather news by visiting clinics, going to the local police station and generally interacting with members of the community.

On this morning, a local businessman comes in to give Nhlabati the details of a robbery. Before leaving, he appeals to Nhlabati to ask witnesses to come forward.

National and international news is picked up from other media, and the news team also reads pertinent stories from the morning papers. The volunteers were given a course in news gathering by a American media educator, Phillys Crockett, and training in writing is handled by Nhlabati. Joseph Kaasi, a volunteer at the station, hopes that he will eventually get to be a news reader and perhaps even get his own show one day.

You can pick up the *Current Affairs* show six days a week from 5.30am to 7.30am. It's not the best scheduling for a show that Damoyi says is the heart of what ALX.FM is about — "Empowering the Community", as their signpost on the corner of First Avenue reads.

Nhlabati says they normally spend the first hour reviewing the events of the previous day, as most guests cannot make it that early in the morning. Then at 6.30am they get to the nitty gritty. Like most of their shows, it is interactive — interviews with guests, discussions, then opening the telephone lines. The show is interrupted at 7.05am by a news bulletin and then resumes until 8.25am.

Their frequency, on 89.1FM, has a radius of about 40 kilometres. The signal can still be picked up quite clearly even south of Rosebank,



Breaking down barriers: Women's show host Philondra Nyathi addresses the Alex community every morning on women's rights

PHOTOGRAPH HENNER FRANKENFELD

although there it might be better to move your dial to 89.5FM.

The joy of community radio is that it is — to use that cliché — grassroots. The people of ALX FM live in Alex, interact with Alex and hence get instant feedback from their listeners. Philondra Nyathi, for instance, hosts a woman's show from 8.30am to 10.30am. She did a show on divorce and its effects after women in Alex approached her. Of course it is not always a good thing to be accessible. When a burly man knocked on her door and accused her of corrupting his wife, who was apparently becoming vocal about her rights, it could have turned nasty. As it was, she stood her ground and the incident came to naught.

The accessibility of guests to the station is also appreciated. The station is based at the Alexandra Resources Center which is really a community center that also houses an number of other

organisations, including Eskom. The waiting room outside the broadcast booth is open to anyone. On this particular day an elderly gentleman is slumped on a chair, his head on the table, apparently trying to sleep out his insobriety. Next to him is a young girl staring either at the glass barrier or at Sechaba Ramalepa, whose arts and cultural programme is now being broadcast.

Dorothy Masuka's voice fills the booth, sounding uncannily like Miriam Makeba when she was with the Skylarks. *Arts and Culture Alive*, slotted between 4.30pm and 6.30pm, must either be a refreshing break or infuriatingly draconian for the youth of Alex. When most stations are playing imported run-of-the-mill pop tunes they can chill or groove to, Ramalepa feeds them a strict staple of African rhythms and roots.

At 4pm a burly traffic officer leans into the mike and introduces himself as "Patrick Jaka" with the traffic report. It's done in Setswana with English insertions. ALX.FM could well be the only true multilingual station in the country as most of the programmes are done in Nguni and Sotho languages with some English.

Ramalepa thanks Jaka (pronouncing it Jakka) for the report. "It's 'Jaaqa'," the officer retorts. "Don't pronounce it like an Afrikaner, you should know it by now." A brief session on pronunciation ensues.

Jonas Gwangwa's trombone fills the room. The CDs Ramalepa plays are his own, it's a struggle to get the record companies to send their new releases. There's a tendency for record companies to look down on community radio, he says. "They recognise it's a non-profit idea and for they can get more from commercial radio."

He doesn't play as much music from the north as he would like to, but there is a show on Sunday from 7pm to 8pm called *Beyond the Limpopo*, which showcases, as the name suggests, music from north of the Limpopo river. He also dedicates time, at least once a week, to bands that are strictly from Alex.

The station came into being in August 1995, a year with funds from the Netherlands and Australian embassies, with intentions to become self-sufficient. But so far, they are simply not getting enough advertising. Alex business people who have had their enterprises for years and have seen customers walk through their door regularly, don't believe they need to advertise.

Outside the booth, another young girl joins the sodden gentleman sleeping on the table. "Our philosophy is that guests should be accessible to people, and when they leave, we hope they take time to speak to the visitors," Ramalepa says. "I might stand corrected, but I think we were the only station to interview Larry Cube. At some point during the interview Danny Glover arrived. It was a lot of fun and outside the studio it had never been so full."

Back in the office, it's 6.30pm and there are only a few people left. Matif Still is trying to fax a document for Damoyi. Before he joined ALX, Still was in the marketing business. Now he applies his knowledge as the presenter of *Business Chat*, covering small business initiatives, consumer rights and investment advice. Two weeks ago he had someone in from the Gold Coin Advisory to talk about investing in Krugersands. Last Friday it was Traditional Beer Investments, a division of South African Breweries.

A memo stuck to the wall near the fax machine stipulates conditions under which absences from work are justifiable — or not. Illness is no excuse, if you can get to the doctor to get a certificate then you can get to work. Nothing is death, except your own — and then two weeks' notice is required.

● ALX.FM broadcasts begin at 5.30am with *Headline News*, followed by *Current Affairs* 8.30am to 11.30am it's Philondra Nyathi's *Women's Affairs*. 11.30am to 1pm is Matif Still's *Business Chat*, followed by Priscilla Nalana's *Youth Show*. 2.30pm to 3.30pm Phaniel Shuma's *Education Series* and Sechaba Ramalepa's *Arts and Culture Alive* from 4.30pm to 6.05pm. From 18.30 to 21.00 is Stumela Maweza's *Community Development Show*.

Reconstructing South Africa's state enterprises

M+G(BM) 24-30/11/95 (260)

The debate concerning state enterprises is in need of transformation, reports **Meshack Mabogoane**

If foreign investors were looking for dramatic statements on privatisation to emerge from the recent state enterprise restructuring *bosberaad*, they would have been disappointed.

The government, under persistent pressure from some major stakeholders to take a definite stand, is adamant not to be drawn. It has even eschewed the term "privatisation" in favour of "restructuring" to indicate that all options would be explored in handling state enterprises (SEs).

At the meeting of the "portfolio committee on public enterprises and the office for public enterprises" in Gauteng, Public Enterprises Minister Stella Sigcau pleaded for the debate to go beyond arguing about the "rights and wrongs of state versus private ownership of the SEs" with "people taking up positions based upon political dogma".

Sigcau referred to this as a "sterile debate" which must be broken.

The hugeness of the task is compounded by the fact that SEs account for a sizeable portion of the economy — the major parastatals

(including Eskom, Telkom, Transnet and Denel) are worth over R100 billion, about a quarter of the Gross National Product. For a long time, they constituted a large chunk of net fixed investment. In the period 1970 to 1984, coinciding with the onset of sanctions, 63,7 percent of total net investment was made by the public sector which included SEs. Because of their dominance, the restructuring of SEs will be inextricably linked with that of the economy itself.

Actually the restructuring is also tied up with larger macro economic positions and policies such as

- government expenditure, (which impacts on monetary policy and fiscal measures);
- competitiveness (as some of the parastatals are either near or full monopolies),
- the effects on the flow and size of private local and foreign investment (should there be a big bang sell off of SEs),
- the effects on socio-economic development and equity (prompted by fears of layoffs and higher prices should there be privatisation), and
- black economic empowerment and community participation.

So it is understandable that government has been cautious. This was evident at the *bosberaad*. All major stakeholders — unions, the private sector,

political parties and various ministries — were represented. Sigcau reminded participants that the government of national unity (GNU) is "aware that (such a) restructuring would affect a wide range of constituencies. A programme to build political consensus and support is perhaps the single most important initiative." This may be politic but it won't make it easy to escape the very ideological concerns that have made the debate "sterile".

Sigcau also mentioned that the restructuring hinges on running public enterprises "better in order to deliver more, higher quality products and services for the benefit of all the people". This does not necessarily mean that privatisation is the answer — although World Bank economists have produced strong economic arguments in its favour.

The *bosberaad* was warned against cookbook solutions, which aped other countries' restructuring exercises. And it was reminded that restructuring of parastatals had begun in the 80s.

How far restructuring should go is moot. This is where the interests of all stakeholders come in. The spectrum of options will need to be explored to suit every situation and state enterprise. But the complex nature of the society and the exercise itself is likely to make restructuring the most difficult issue confronting the GNU.

SAfm troubled by lost listeners

MG 24-30/11/95 (260)

Latest listenership statistics reveal that the SABC's radio flagship, SAfm, is in even deeper trouble than was feared, reports **Marion Edmunds**

SAFM'S audience has shrunk to the size of Radio Venda's, according to SABC sources, despite the fact that 8,8 per cent of South Africans speak English as a first language, as against 1,9 per cent who speak Venda.

The latest statistics reveal a drop in SAfm listeners over the last year from 393 000 to 231 000.

These damning figures have pushed the embattled management and staff of SAfm against the wall as they try to devise ways to interest new listeners in their programmes and entrench the station's position before the advent of independent broadcasting presents SAfm with real competition.

An SAfm source said many manage-

ment meetings were stormy and managers could not decide whether they should target a "rainbow-coloured" audience or the "decision-makers in the new South African society". He described internal battles as a "soap opera, with loyalties shifting and people stabbing each other in the back".

Another source said radio chief Govin Reddy was feeling threatened by proposals that the respected SAfm actuality programmes *AM Luvu* and *PM Luvu*, as well as *Radio News*, may be removed from his portfolio and handed to current head of news, Bar-

ney Mthombathi. Mthombathi would then report directly to SABC chief executive Zwelakhe Sisulu. At the moment, Mthombathi is responsible for Radio News but reports to Reddy.

Mthombathi has emphatically denied there is any power struggle over the portfolio of news programmes — the glamorous part of radio journalism. Television news chief Jill Chisholm reports directly to Sisulu.

A source close to Sisulu has indicated discussions in SAfm are related to a wider discussion in the SABC about the values of the corporation.

Top managers are discussing the need to strike a balance between commercial viability and the public broadcasting mandate.

This same source also indicated Sisulu was becoming disillusioned with a group of "white liberals" who had been put into key management positions shortly after the 1994 elections and who have not necessarily proved themselves as managers. SAfm employees have referred to a division in the corporation between "Africanists" and "progressives", although many say this is an exaggeration of the real situation.

Most managers in the troubled station don't want to talk about SAfm's decline. And the slide in listenership is particularly worrying to the news and current affairs staff, given that SAfm is widely seen as both more professional and responsive to the news than any other English-speaking radio station.

Charles Leonard, head of SAfm's current affairs programmes, remains enthusiastic, however. When asked how he felt about the radio station's problems, he paid tribute to his staff and said he had been "invigorated" by the experience.



Zwelakhe Sisulu: Trying to keep the SAfm ship afloat.

PHOTOGRAPH HENNER FRANKENFELD

SABC's Ivy: Is she another PW?

DAVID BREIER

Political Staff

SABC boss Ivy Matsepe-Casaburri acted like the Nats of old when she tried to bully news staff into not broadcasting embarrassing remarks she had made in a speech, according to media experts.

This claims follow revelations that Dr Matsepe-Casaburri, chairman of the SABC board, had been accused of intimidating SABC news staff over how they would report a speech she had made.

Her actions have been compared to the bully-boy tactics of ex-president P W Botha and to an incident in which former SABC board member Mimi Coertse allegedly suppressed a controversial report about herself.

Dr Matsepe-Casaburri allegedly threatened to fire SABC news staff if they carried televised reports of parts of a recent speech she made at a United Nations lunch in Johannesburg.

The speech was critical of her own organisation and reportedly included an anti-Afrikaner remark.

According to documents in the possession of Spectrum, the investigative unit of Independent Newspapers, she

■ The new pro-ANC order at the SABC is emulating its National Party predecessors by intimidating staff to toe the line, analysts say.

threatened SABC news staff covering the event that jobs would be lost if certain parts of her speech were broadcast.

Dr Matsepe-Casaburri has confirmed she said something about losing a job — but has claimed it was a "joke".

This week Spectrum reported that a witch-hunt was underway at the SABC to find the person responsible for leaking documentation on her threat.

"We think it's totally unacceptable that the chief of the SABC board should intervene in the news services of the SABC and particularly with a reporter covering the event," said Raymond Louw, chairman of the Freedom of Expression Institute. Mr Louw was an editor of the Rand Daily Mail.

"Her explanation that it was a joke was all very well, but people in her position should not make jokes of that kind because people may not quite understand the joke," he said.

(260) ARG 25/11/95

Certainly the news staff involved did not understand the joke, Mr Louw said — according to Spectrum, SABC reporter Thuthu Msomi feared she would lose her job as a result of the incident.

"The reporter did not take it as a joke. According to reports, she was terrified and obviously intimidated."

"People in the position of SABC chairman should weigh their words carefully when dealing with the sensitive issue of reportage and take pains never to give the impression of interference," Mr Louw said.

He said the latest case was reminiscent of well-known incidents in the past when prominent National Party members interfered directly with SABC reports involving them. "In principle, there is no difference."

■ In 1987, Mr Botha, then state president, took exception to SABC television news reporting Allan Hendricks's version of why he resigned from Mr Botha's cabinet. Mr Botha telephoned the SABC director-general Riaan Eksteen at a function, to demand that the news bulletin be changed. The following year, Mr Eksteen was fired.

■ Former opera singer Mimi Coertse, who was a member of the previous SABC board, reportedly put pres-

sure on the SABC in 1992 not to broadcast a report on a controversy in which she was involved.

She and her husband, Werner Ackermann, had been given special ministerial permission to build a three-storey house at Bloubergstrand in spite of neighbours' objections and the refusal of the local authority.

Ms Coertse applied the following year to be retained on the new SABC post-apartheid board. But the selection panel grilled her on her past actions — and she was excluded from the new board headed by Dr Matsepe-Casaburri.

Ironically, the NP, which dominated the old SABC, is now aghast at the intimidating behaviour of what it claims are the corporation's new pro-African National Congress bosses.

"The day we have a situation where journalists lose their credibility because they are told by their bosses what to report and what not to, would be a very sad day for South Africa. Then one of the pillars of democracy would have been destroyed," said NP executive director Fanus Schoeman.

He said if Dr Matsepe-Casaburri had indeed threatened the jobs of news staff to do her bidding, then "she is not fit for her job."



MASTER'S VOICE: Former president P W Botha.



MISTRESS'S VOICE: SABC boss Ivy Matsepe-Casaburri.



THE SPIRA INTERVIEW

Eskom director Vusi Ngubeni has his eye on the top job

(260) CT (PR) 27/11/95

Vusi Ngubeni, 41, has one overriding ambition — to become chief executive of Eskom

He believes that by the age of 50 he will be in line for the position — one of South Africa's leading corporate jobs

Now Eskom's executive director (services), he handles the group's non-core activities. He is responsible for a budget of R900 million and controls assets valued at R1,5 billion, so he is certainly no stranger to responsibility.

In the next few years he intends to learn a lot more about Eskom's core electricity generation and distribution business.

Ngubeni's portfolio encompasses Eskom's properties, its information technology activities, its commercial resource management (tendering and purchasing), and its business services (conference facilities, landscaping and horticulture, air and land transportation, industrial catering, protective services and visual media services).

This places him in a seat growing hotter by the day as the debate over the restructuring of state assets focuses increasingly on the parastatals' non-core businesses

Does he relish the notion of Eskom being privatised?

"It's a dilemma fraught with conflict. Eskom's customers want cheap electricity, which means we have to operate as cost-effectively as we can. Privatising our non-core activities is perhaps one of the ways of reducing costs and increasing productivity

"On the other hand, we face concern from unions, because privatising means government losing

control and cost containment implies a reduction in the number of employees"

"We've been accused of adding to the unemployment situation. I suppose we have, but at the same time, because we've upgraded our people, those who use our product have received cheap electricity cost effectively

"This is the key. If the price is too high the customer will find alternative forms of energy

Eskom, Ngubeni points out, is already commercialised. In the process, it has striven for more revenue and better productivity

It continues to do so by asking whether it should, for example, be in industrial catering. If there are specialists able to provide the service more cheaply and more efficiently, then Eskom should buy in that activity

"In so doing, you have to be able to demonstrate to the formerly disenfranchised that they receive a resultant benefit. The whole idea must be to get small business involved.

Ngubeni believes this type of approach ties in with the RDP, because to him the RDP means economic empowerment and better and appropriate skills.

"If labour owned some or part of the state's assets, they could then employ more members. They could employ whomever they wish.

Yet the unions have turned their backs on share ownership. Why?

"They've never trusted capitalism. South Africa's evolution has been characterised by a divided society, a situation where one segment of the population owned and



BIG PICTURE Vusi Ngubeni, Eskom's executive director of services

PHOTO: JOHN WOODROOF

the other didn't. Those who didn't own did not (and could not) appreciate the beauty of owning and creating wealth.

"Many countries (particularly in Africa) have relied on foreign aid, only to end up with nothing

"We need to create wealth and sustain the economy from within, so that reliance on outside assistance is minimal, or reduced to

technical know-how

"In this way wealth creation stays here and generates a spiralling job-creation process."

Ngubeni was born in Ermelo. He has been with Eskom for three years. Before that he spent six years with Bristol Myers Squibb as director of human resources. He was educated in Swaziland, Botswana and Kenya.

Municipalities would get stake in new body

Eskom may hive off power provision role

BD 27/11/95 (260)

Tim Cohen

CAPE TOWN — Proposals to break up Eskom by separating its electricity generation and sales functions, and for the introduction of a standard national electricity tariff system, are to be made this week.

The major overhaul of SA's electricity operations is to be put forward by the Electricity Forum, a body consisting of parties interested in the supply and consumption of electricity.

The proposals would create a huge new electricity provider by merging Eskom's electricity provision with that of municipalities, who would be compensated by the right to a portion of the income generated by electricity tariffs.

Electricity Forum co-chairman Andrew Borraine emphasised at the weekend that the plans were not final.

Splitting off Eskom's electricity provision function would allow the parastatal to concentrate on the generation and supply of bulk electricity.

He said the new electricity provider would be responsible for supplying electricity to homes and businesses, new installations and for the collection of tariffs.

In the process, municipalities would lose their rights to provide electricity, a major blow to some councils which derive a large proportion of their income from electricity tariffs.

The forum would suggest that the provision of electricity be taxable, and that this income should accrue directly to the municipalities.

Borraine said major issues had still to be negotiated with the many role-players involved.

The plans were an attempt to solve a range of problems in the provision of electricity in SA, including Eskom's intervention as an electricity provider where municipal government had collapsed or where residents had called on it to do so, and the systems put in place by former homelands.

A confused system of electricity provision had developed, with a huge number of electricity rates applying in different parts of SA.

Some municipalities had to provide electricity without being sufficiently compensated because of payment boycotts, while for others electricity was a major income generator.

Borraine said the proposals would be presented to organised local government on Thursday. They would then be discussed in a wide range of forums, including provincial governments and labour and business organisations.

Many of these organisations are represented on the forum, which Borraine co-chairs with National Electricity Regulator chairman Ian McCrae. The forum aims to produce a final report by February.

IBA frequency plan limited

The IBA's latest strategy on radio frequencies severely restricts potential independent commercial stations, writes **Neil Bierbaum**

ONLY five low-power frequencies are available for commercial stations in Gauteng and some of these may be allocated to the South African Broadcasting Corporation. This is only one severely limiting implication of the frequency spectrum plan published by the Independent Broadcasting Authority in the Government Gazette last week.

The five frequencies are only available at 3,5kW each, and all are coupled at Brixton, which severely restricts their potential coverage area. Highveld Stereo, by comparison, has a 38kW transmitter for Johannesburg while 5FM has a 75kW transmitter.

"It's terrifying," says independent consultant Malcolm Russell. "In real terms there is no way that these can be commercially viable. The IBA is setting them up to be small players."

Koerne Schutte, head of the frequency management unit of the IBA, does not see these low-power frequencies being a problem "given the height of Brixton." There is not much of a difference between a 100kW transmitter and a 10kW transmitter when you take into account the curvature of the earth and the mountains. He admits that 5FM, with its 75kW transmitter, still has to use gapfillers and relay stations in Gaut-

eng and that the signal from a 5kW transmitter would only cover greater Johannesburg.

The reason for the dearth of available frequencies, according to Schutte, is that "all the gaps, especially in Gauteng, have been taken up by community stations." The existing SABC stations, he adds, are protected by grandfather clauses which preclude the IBA from making any changes to their frequency usage.

Spare frequencies in other areas are equally sparse. In Cape Town there is

only one spare frequency at 10kW; in Port Elizabeth there is one of 5kW and one of 1kW; in East London there are two of 10kW and in Durban there are three of 25kW which, given the area's unique topography, will probably only cover from the Bluff to Umhlanga, but certainly not to Pietermaritzburg, says Russell.

One consolation, according to Gavin Kennedy of Solid Gold, is that the IBA has stated it will regard reception within the target community as more important than in the overlap area. "Thus opens up a lot of space," he says. A station in

Pretoria can then use the same frequency as one targeting Randburg and the overlap in Midrand becomes irrelevant.

Kennedy adds that the plan fails to bring the frequencies closer together, which would create space on the spectrum for additional frequencies. While the plan recommends three-channel spacing, there are still many four- and five-channel spaces. "If these were all shifted closer together there would be more room at the end of the bed," he says. He recommends a "spectrum day" on which all stations would have to move

This would make it easier for those stations to publicise the shift.

'It's terrifying. In real terms there is no way that these can be commercially viable. The IBA is setting them (new commercial stations) up to be small players.'

However, the IBA has different plans, it seems. Schutte points out that the IBA will take submissions every year and "can review" the frequency spectrum plan — although he doubts it can make more frequencies available.

The IBA is also looking at a new frequency plan "for a year or two's time", to see if it can increase the number of frequencies available in metropolitan areas. Asked about the marketing cost of changing frequencies once they have been in place for a year, he says, "At least there is a plan at this stage. We will never have a perfect plan; this is the best one for the moment."

(260)
M6 (0M) 27/10 - 2/11/95

HSRC to make bold move towards transformation

The Human Sciences Research Council will take its first concrete step towards transformation when its first post-apartheid board meets in Pretoria today.

Today's meeting of the multiracial board, which was selected from public nominations, signals the beginning of the HSRC's attempts to cast off its image as the former research arm of apartheid.

The HSRC falls under government control and provides research services to the Government, Parliament and the private sector.

Like other parastatal and state institutions, it is trying to transform itself to fit in with the prerogatives of the democratic society.

The new board, which is chaired by University of the North principal Prof Njabulo Ndebele, meets a day after Arts, Culture, Science and Technology Minister Ben Ngubane received a copy of the HSRC's annual report.

The report indicates some shift in HSRC research which includes strategies on the safety of women and community policing - Political Reporter.

(260) Star 29/11/95

Eskom lukewarm over distributor plan

BD 29/11/95

Mungo Soggot

ESKOM refused yesterday to give its full blessing to the proposed creation of a national electricity distributor, saying that there were other ways in which the problems of the distribution industry could be tackled.

Reacting for the first time to the proposal that all Eskom's and local authorities' distribution operations be merged into a national distributor, Eskom CE Allen Morgan said that, for example, there could be several regional distributors which combined existing operations, but which remained sensitive to regional pressures.

"Eskom knows that something

has to be done," Morgan said.

However, he said the national electricity supplier would want to see the full effect of the current proposal on its transmission and revenue.

The proposal has been mooted by the electricity working group, which consists of the National Electricity Regulator and officials from the provincial governments and central government.

"Let's model it and then take a look," Morgan said.

Morgan said the "nationalisation" of the industry was fraught with problems, particularly as it would keep out competitive forces.

At the moment it was not clear

whether the proposed national distributor would be owned by the state, or by a combination of Eskom and the municipalities.

He dismissed the idea that Eskom would dominate any national distributor, saying that in many instances municipalities which ran effective distribution operations had at least as much expertise as Eskom.

Regulator chairman Ian McRae said on Monday that at the moment a national distributor seemed to be the most viable financial cure for the problems besetting the industry.

He said the industry was riddled with inefficiency and a huge range of tariffs.

CSIR board: six named

BO 29/11/95 (260)
Susan Russell

TRADE and Industry Minister Trevor Manuel announced yesterday the names of six new Council for Scientific and Industrial Research (CSIR) board members. They join four members of the previous board.

New members are: UCT's Energy for Development Research Centre head Anton Eberhard, Peninsula Technikon's School of Science director Dhiro Gihwala, Nampak manufacturing development manager Khlomotso Phihlela, Wits deputy vice-chancellor Friedel Sellschop, IBA councillor Lyndall Shope-Mafole and the University of the North's head of biochemistry, Errol Tyobeka.

Those remaining are Anglo deputy chairman Les Boyd, SABC chairman Ivy Matsepe-Casaburri, Sappi executive chairman Eugene van As and Altron chief Bill Venter.

Malan warns of turmoil if murder trial proceeds

BO 29/11/95 (262)

PRETORIA — Former defence minister Magnus Malan warned yesterday of "turmoil" in SA if government went ahead with a trial in which he and 10 apartheid era military officers are to be charged with murder.

Malan told foreign correspondents the prosecutions were a "political ploy" by the ANC, and claimed former security force members were being unfairly targeted.

He and the officers will formally be charged on Friday in the Durban Supreme Court with 13 counts of murder relating to a 1987 massacre in the KwaZulu-Natal township of Kwa-Makhutha.

According to government sources, the charges stem from a decision in the mid-1980s by the former state security council, headed by Malan, to train IFP members as a death squad to counter the growing popularity of the then-banned ANC.

Malan denied knowledge of any death squad and said that at no stage did the state security council "indicate, plan or decide on murder actions".

Malan said he was worried the court case would "antagonise moderate mainstream citizens of the country" and urged the ANC "to let bygones be bygones".

He noted that the announcement of the prosecutions came on October 29, several days before South Africans went to the polls in the country's first all-race local government elections, and that the trial proper was due to begin on March 4 next year, only a few weeks ahead of local government elections in KwaZulu-Natal.

Justice Minister Dullah Omar, however, denied there was a political motive behind the prosecutions.

"I very much regret that he (Malan) makes that statement," Omar said. "He is completely wrong. I wish people would refrain from making statements of that kind."

The ANC yesterday brushed aside the warning by Malan.

"The stability of our country hinges not on the whim of the NP and a few individuals. Our democracy is premised on the will of the majority," it said in Johannesburg.

Malan had been charged by the attorney-general on the basis of evidence put at his disposal by law enforcement agencies, and the ANC had no influence over these agencies, it said.

"Instead of resorting to political bluster, Gen Malan should gracefully take his seat in the dock and prove his innocence" — Sapa-AFP.

SABC to slash Afrikaans TV time to 3,86%

(260)
STAFF REPORTER

~~ST~~ CT 30/11/95
PRIME television airtime for Afrikaans is to be cut by almost 90%, from 33% to 3,86%, when the SABC launches its three new channels next February, the broadcaster announced yesterday.

Leading Afrikaans actor and dubbing director Mr Paul Eilers slammed the plans as a way to suppress Afrikaans-speakers and predicted "disaster" for up to 3 000 Afrikaans actors, who relied on dubbing work — the largest proportion of Afrikaans programming — for their livelihood.

The SABC explained its decision by saying that "time allocated to different languages ... (is) calculated according to demographic composition of the population"

It said the language policy had been formulated according to "equitability, cultural needs and values, being accessible, affordable, and providing choice".

English is to receive 65% of prime time, Afrikaans 3,86% and other languages 4,1% each

Mr Eilers said 27% of licence-holding viewers were Afrikaans-speakers.

New SABC channels cut Afrikaans

(260)

By TROYE LUND

Star 20/11/95

Prime television air time (6pm-10pm) allocated to Afrikaans will be slashed from 33% to 3,86% on the three new channels to be launched in February, the SABC has announced.

English will form the anchor language and enjoy 65% of prime air time. Xhosa and Zulu have been granted 4,1% each while multilingual screening will occupy 14,5% of the prime time.

Afrikaans broadcasters say the slashing of their air time puts the Afrikaans entertainment industry "in dire straits". Dubbing studios, which produce 90% of all Afrikaans programmes, may now become redundant.

An SABC statement said: "Time allocated to different languages on SABC's three new television channels are calculated according to demographic composition of the South African population."

Research showed that most viewers prefer English as an alternative language.

■ In a related development, reports Reuters, the parliamentary joint standing committee on defence voted yesterday to demote Afrikaans and make English the sole language of command, control and instruction throughout the defence force.

NP to oppose SABC grant over Afrikaans

ET 11/2/95 (260)

THE National Party will oppose any attempt by the SABC to get the R500 million government grant it wants, NP director for information and media Mr Marthinus van Schalkwyk said yesterday.

Reacting to the announcement that television prime-time given to Afrikaans would be cut from 33% to 3,86% from February, Mr Van Schalkwyk said the SABC had now shown its promises were empty.

The decision demonstrated the political manipulation the SABC would subject itself to. The fact that the R500 million might be taken from a budget priority such as education or housing, and the way in which the SABC was being managed, as evidenced by the language proposals, showed the danger, he said.

Freedom Front spokesman Dr Pieter Mulder said it had been a bad week for Afrikaans, with the SABC cutting Afrikaans air time

and the SA National Defence Force opting for English only.

"Afrikaans-speaking people are beginning to feel alienated," he said. "One should not be surprised if there is active opposition."

"From the moment it was announced that we were to have 11 official languages it was clear that English, for practical purposes, would become the national lingua franca.

"We should be honest and say so, instead of saying all 11 have national rights equal to that former colonial language, English."

However, top military analyst Mr Willem Steenkamp sen does not expect major problems in the SANDF.

"What is going to be of cardinal importance is how the English-only policy is going to be implemented. If it is done sensitively, it will not create problems," he said.

— Staff Reporter, Sapa

English-speakers in rural areas lose out on TV

(260)
By GLENDA NEVILL

ST 3/12/75
ENGLISH-SPEAKING television viewers who live outside of metropolitan areas will no longer receive programmes in their own language when the new SABC 3 channel comes into being in February.

The SABC 3 channel, devoted entirely to English-language programmes in terms of the SABC Board's new resolutions on language policy, will take over NNTV's transmission "footprint". This means any viewers who can't pick up NNTV now will probably not be able to receive the new channel unless they buy a satellite dish.

Louis Raubenheimer, the general manager of SABC 3, said the SABC was working on two different initiatives to solve the problem.

"We are looking at extending the current network with the approval of the IBA. And we are specifically looking at each transmitter to see if we can upgrade, or swop around various transmitters, to service a wider area."

"The latest figures show that CGV's footprint reaches 27 million viewers; TV1 reaches 28,5 million viewers and NNTV reaches 21,2 million people. There is nothing we can do immediately to address the SABC 3 problem in terms of terrestrial broadcasting. However, if viewers buy satellite dishes, which are the future of broadcasting, they will receive all three channels perfectly," he said.

A spokesman for the SABC said the corporation intended "extending the transmission footprint" but admitted this would "not cover the whole country".

"We have already received a large number of complaints from viewers who cannot pick up the cricket on NNTV now, so we anticipate some very unhappy people next year."

The English language emerged as the national bridging tongue and, as such, will gobble up 65,34 percent of the SABC's prime-time viewing period when the three new channels are launched on February 5. But this large percentage will mean nothing to those living in rural areas or outlying urban areas who don't receive NNTV.

The board has recommended that the proposed SABC 1 will be devoted to Nguni languages, while SABC 2 share its time between the Sotho languages and Afrikaans.

The remaining time slots, out of the prime time period, will contain a programme mix of "multilingual local programmes and international programmes in English".

'THIS IS HOW WE'LL

A DRAFT agreement on the restructuring of state assets between the government and the labour sector in the National Economic Development and Advice Council (Nedlac) will be submitted to the Cabinet for approval this week — so that a start can at last be made with privatising.

The agreement — initiated by the union, Fedral and jointly negotiated in Nedlac by the other two union movements — sets down strict limits to protect workers who will be affected by the restructuring. State assets must be restructured, if they do not contribute to the aims of the Reconstruction and Development Programme — but the underlying principle is that this must not happen at the cost of workers, the agreement says.

The agreement was negotiated in Pretoria last week by the minister of public enterprises, Stella Sigcau; the minister of posts, telecommunications and broadcasting, Pello Jordan, Fanie van Rooyen, who acts as the government's consultant on privatising, the secretary general of Cosatu, Sam Shilowa, the secretary general of Nactu, Cunningham Ngcukana; and the secretary general of Fedral, Dannhauser van der Merwe.

However, the agreement still has to be ratified by the Cabinet.

Among other points, the agreement stipulates that there must be negotiations with unions before restructuring is done.

Decisions on changes must be negotiated on an

executive level between unions and the managements. In an additional memorandum submitted this week to Nedlac's executive council, the labour sector says it is concerned at whether the process will be implemented properly and fairly in all sectors.

Six representatives of the labour sector and six government representatives will be appointed to negotiate a final agreement. This will among others

■ Set down the guidelines to be followed by each state-controlled enterprise. The powers, composition and financing of the committees will be defined;

■ Make provision for a welfare plan for workers who have to be retrenched. The plan must be negotiated on an executive level by the unions involved so that the workers' interests are protected,

■ Stipulate that all information that the government has on the restructuring of state assets — including the reports of consultants drawn up by order of state-controlled corporations — be made available to the labour sector;

■ Stipulate that unions be empowered to appoint professional advisers who can review the business plans of managements; and

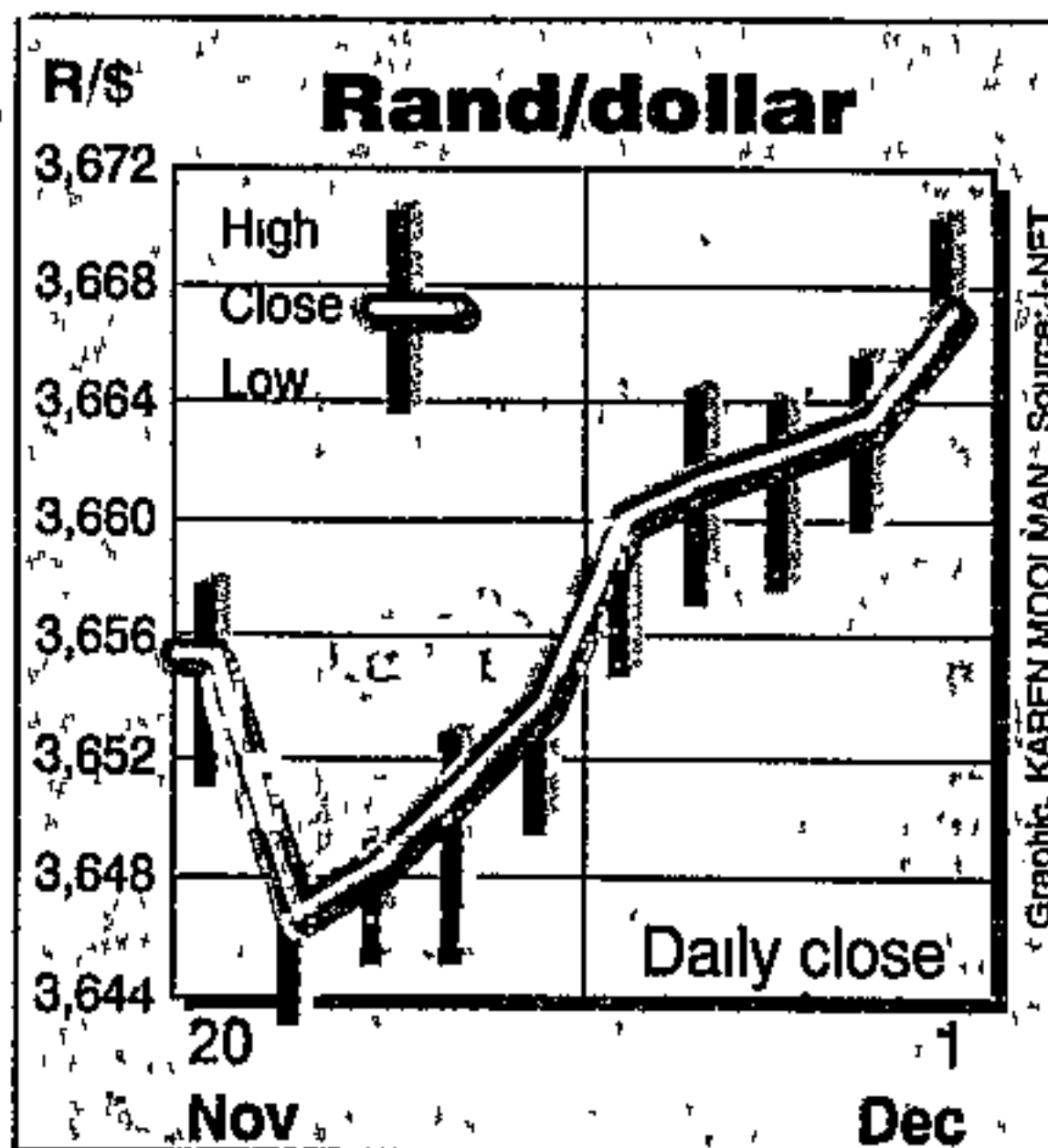
■ Stipulate that Nedlac's task force will receive regular reports from the transitional committees and will be able to intervene when problems arise.

The moratorium on restructuring will remain in force until the new agreement has been implemented.

Beeld

DP 3/12/95

PRIVATISE



The rand ended just under 1,5c weaker against the dollar at R3,6670 on Friday from R3,6540 the previous week, as the US unit surged to 10-week highs against the Deutschmark in anticipation of a German interest rate cut.

Labour calls for state assets pact

Mungo Soggo and John Dlodlu

LABOUR has called for a pact with government over restructuring state assets to ensure its voice is not drowned out as the process gathers pace.

It has also demanded that the moratorium on restructuring remains intact until the mooted pact is in place, and that government foot the bill for advisers which labour will appoint to help it take a view on restructuring.

In a document handed to the National Economic Development and Labour Council (Nedlac), it says "Labour must be fairly represented (in the process) and given the time and resources to participate effectively."

The move follows tensions between labour, government and parastatal management over restructuring and privatisation plans — particularly within Telkom, which is spinning off non-core activities and scouting for a strategic equity partner to which it

Continued on Page 2

Labour

Continued from Page 1

plans to sell off a 20% stake

The document says the pact should ensure labour is fairly represented on parastatals' transformation teams and on the public enterprise department's six teams which will be looking at restructuring and privatisation.

The Post and Telecommunications Workers' Association recently expressed fear that Telkom was proceeding without adequate consultation with it and other unions representing Telkom workers.

In the Nedlac document, labour also asks for government to consider plans to soften the blow to workers, calling for "social plan solutions. The underlying approach is that restructuring should not occur at the expense of the workers in state enterprises. Labour

will not support processes which promote job losses and unemployment."

Cosatu general secretary Sam Shilowa said at the weekend labour had hoped business would join the pact, but so far it had not expressed strong concerns about the restructuring process.

Public Enterprises Minister Stella Sigcau said government and labour were still discussing ways to tackle the restructuring process.

Labour is also demanding access to all information government has about individual parastatals' restructuring plans. "This should include reports produced by consultants on behalf of parastatals." It says its advisers should be allowed to examine management's business plans.

Public enterprises has already set aside R10m for its international and local advisers on restructuring. It is expected to announce who won the tender in the new year.

Call to dismiss trial witness from SABC

50 5/12/95 (260)

Farouk Chothia

DURBAN — The ANC KwaZulu-Natal region said yesterday it would call on the SABC board to dismiss Durban-based radio journalist Carol Lane, as she had been identified as an SA Police Service officer who would testify in the murder trial of former Defence Minister Magnus Malan and 19 others.

ANC spokesman Dumisani Makhaye told a news conference that while the courts should establish whether Lane had been involved in "sinister" activities, it was unacceptable for police officers to "masquerade" as journalists and to operate under "false pretences".

ANC national executive committee member Sibusiso Ndebele said that if Lane had been receiving a "double salary" the ANC would ask the SABC board to suspend or "expel" her from the corporation.

Ndebele said Lane had broken the SABC's editorial code of conduct. The code required journalists to be free of obligation to any interest group.

SABC radio news editor-in-chief Barney Mthombathi said that the SABC would look into the matter.

However, his information was that Lane had resigned as a police reservist six years ago. He said that at this stage he had no reason to doubt Lane's credibility. She had been "fair" in her reporting.

In the indictment tabled in the Durban regional court last Friday, Lane is listed as the 33rd witness out of 75. She is not referred to as a journalist but as "South African Police Service (SAPS) — Amanzimtoti".

Ndebele said journalists should disclose their pasts so that political parties knew who they were dealing with. The SABC needed to divulge whether there were any other police officers on its staff.

Ndebele said the ANC would raise its concerns with the SABC board and with Post and Telecommunications Minister Pallo Jordan. There were "dirty tricks elements" in the SABC. The corporation needed a "thorough overhaul" if its transformation programme was to succeed, Ndebele said.

Mthombathi said the SABC was staffed by "honest" journalists and there could be no "witch-hunt".

"I don't think the ANC can tell us about transformation," he said.

Eskom will not seek large amounts from domestic capital market

Greta Steyn

ESKOM would have no need to raise substantial amounts on the domestic capital market next year to meet its capital expenditure budget of about R5bn, market sources said yesterday.

The electricity utility last week gave a presentation to capital market players, aimed at giving them an idea of its financing plans for the next financial year.

It was unable to release details yesterday, saying the figures would be fi-

nished this week and would probably be released next week.

Analysts who attended the presentation said Eskom had told them plans were still on track for the corporation to reduce its borrowing requirements to zero by the turn of the century.

Next year it would probably be able to meet its financing needs without much recourse to the domestic capital market.

It would use a mix of offshore finance already raised, money market instruments and internal cash gener-

ated. About R1,1bn in foreign loans had been raised for next year—about R720m in a Samurai bond and about R380m in concessionary finance provided by the Japanese Export-Import bank. The latter was part of the Japanese aid package for SA, carried at an interest rate of 3,5% and was project-linked.

A spokesman said it did not seem as if more foreign borrowing would be undertaken next year, but circumstances could change.

Sources said Eskom would need to

tap the money market for a substantial amount of funding, depending on the extent to which internal cash generated could be used to meet financing needs. A figure of R1bn had been mentioned, but sources said this might change.

A capital market analyst said Eskom's meagre borrowing requirements would not put pressure on the market. Government's huge appetite for loans was dominating the market for new loans, with parastatals playing a much smaller role than in previous years.

(260)

About a year ago Eskom said it would raise R2,4bn on the money market, R960m on foreign capital markets and R690m in bonds on the domestic capital market.

However, difficulties in foreign markets after the Mexican financial crisis forced it to borrow more on the local market.

A source said about R2bn of its annual capex budget went towards the electrification programme, while the rest went on general distribution and transmission.

Reporter 'not policewoman'

(260) CT 6/12/95

DURBAN: SABC reporter Carol Lane, a witness in the Magnus Malan murder trial, yesterday clarified her position.

On Monday the ANC said it was "shocked" that Ms Lane was named as a state witness in the trial and that her address was given as SAPS, Amanzimtoti.

The ANC said it was the party's view that journalists should not be members of the police force.

Ms Lane said in 1987, with the written permission of the SABC, she was a police reservist.

"I was in the Amanzimtoti police charge office manning a telephone as a community service volunteer some days after the kwa-Makhutha incident. At no stage did I receive payment for the voluntary service."

She had later given up her position as a police reservist.

"Although my evidence in the Malan trial is sub-judice, it is of a formal nature and at the time I had no idea of any sinister activities. I must state that my evidence has no direct link with the incident itself." — Own Correspondent

Afrikaans on TV 'to get equal time'

App (260)
No language discrimination – SABC

Star 7/12/93
Afrikaans would be treated equally with other indigenous languages in television's new prime-time viewing schedules due to be implemented early next year, SA Broadcasting Corporation board chairman Dr Ivy Matsepe-Casaburri said yesterday.

She said the focus would now be on equity between languages during prime time. Developing previously neglected languages and broadcasting local content programmes would have to be phased in.

The SABC's satellite television head, Gert Claassen, said there was a perception that Afrikaans had been scaled down, but Afrikaans programmes would be broadcast on the SABC's widest-reaching signal during prime time and would be available by satellite.

The SABC has also dropped its plans for digital satellite television, opting for analogue technology which is much cheaper for the consumer, Claassen said.

Of the total weekly viewing hours of the three SABC channels, Claassen said, more than 500 hours would be exclusively in Afrikaans. In addition, about 108 hours a week would consist of multi-language productions which would include Afrikaans.

Claassen said the corporation had been transmitting four analogue channels using the PanAm-Sat 4 (PAS 4) satellite for the past two weeks. By the third quarter of next year, they will be transmitting six to eight encrypted analogue channels for which viewers would need a satellite dish and decoder which costs about R1 500, plus the monthly subscription – Staff Reporter, Sapa

SABC's Carol Lane to be asked to take leave

Ingrid Salgado

(260)

DD 7/12/95

THE SABC board decided yesterday that radio journalist Carol Lane — recently named as a state witness in the Magnus Malan trial — would be asked to take extended leave from her duties pending the outcome of an internal investigation.

Certain SABC management and staff members in the province would also be investigated because they had known of Lane's involvement with the police and had not relayed this to senior management, SABC CE Zwelakhe Sisulu said. Lane has said she was a police reservist in Amanzimtoti at the time of the 1987 KwaMakutha massacre for which Malan and 19 others have been charged.

Board chairman Ivy Matsepe-Casaburri said the board would reactivate an internal commission of inquiry into past activities of SABC staff members. The commission would allow staff to "come clean" before investigations into alleged activities began.

Management would not be allowed to sit on the commission. The commission would submit a report on its findings.

Matsepe-Casaburri denied that SABC plans to relaunch its three terrestrial TV channels next February would disadvantage the Afrikaans language.

The corporation planned to broadcast Afrikaans on the channel with the largest footprint during prime time viewing. This meant it would reach more people than the SABC's other two channels.

The new channels would be known as SABC 1 (currently CCV) which would broadcast the Nguni languages during prime time, SABC 2 (TV1) airing Afrikaans and Sotho in prime time and SABC 3 (NNTV) broadcasting in English.

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SABC operations head Gert Claassen, left, and CE Zwelakhe Sisulu brief the media after a board meeting yesterday. The board decided to set up an investigation into radio journalist Carol Lane.

Picture NICKY DE BLOIS

SABC picks cheaper satellite TV

~~260~~ (260) ET 7/12/95
JOHANNESBURG: The SABC is to drop its plans for digital satellite television, opting for analogue technology, which is much cheaper for the consumer, the corporation decided yesterday.

Mr Gert Claassen, the broadcaster's satellite television head, said the corporation had been transmitting four analogue channels using the PanAmSat 4 (PAS 4) satellite for the past two weeks, including the existing three SABC channels and a channel providing about six hours of sport a day.

By the third quarter of next year the

corporation would be transmitting six to eight encrypted analogue channels, for which viewers would need a satellite dish and decoder costing about R1 500, plus the monthly subscription.

Mr Claassen said analogue technology was much cheaper than digital technology, which provided more channel options, but cost more than R5 000.

● SABC chairman Dr Ivy Matsepe-Cassaburi said the board stood firm on the amount of Afrikaans broadcast. It would be treated equally to all other indigenous languages — Special Correspondent

State plans to sell billions in assets

Star 8/12/95 (260) (235)

Cabinet's decision is the first major step towards readjusting the state's direct involvement in the economy

By **PATRICK BULGER**
Political Correspondent

The Government is to sell off part of Telkom and South African Airways as part of a sweeping set of measures to privatise and restructure state assets.

The announcement was made by Deputy President Thabo Mbeki at a media conference at the Union Buildings yesterday evening following the decision on Wednesday to sell off Mossgas to the highest bidder and phase out subsidies to Sasol by the end of 1999.

Mbeki's announcement is the first major step towards readjusting the state's direct involvement in the economy and so reducing the national debt. This should help in creating jobs, increasing black involvement in the economy, boosting competitiveness and meeting the goals of the RDP.

The strategy will have major implications for the transport and telecommunications sectors in particular, but no state enterprise will be left untouched.

Mbeki was accompanied by Transport Minister Mac Maharaj, Posts, Telecommunications and Broadcasting Minister Pello Jojo, RDP Minister Jay Naidoo and Public Enterprises Minister Stella Sigcau.

The decisions announced yesterday were reached at Wednesday's cabinet meeting, and are the result of a process begun in July, and public consultation undertaken by Sigcau in October.

Mbeki said the decisions fell into three main categories:

- Formation of alliances with private partners to buy into Telkom, SAA and the Airports Company. But the Government would retain the "majority and controlling

share" while undertaking schemes for employees to buy shares and for black ownership.

- Sun Air, Transkei Airways and Autonet (the motor haulage arm of Spoomet) would be sold off altogether because state involvement was not considered strategic and these businesses operated in a highly competitive environment.

- A restructuring of other assets to make them more efficient and effective. This option included Spoomet and its support entities like Metro Rail, Portnet and the SA Rail Commuter Corporation.

The Government would also regulate monopolies and prevent excessive tariffs for Portnet and Petronet. The SA Roads Board, which controls the national road network, would be the subject of "institutional and funding changes to allow for a more focused and dedicated agency to care for the nation's primary road network".

Mbeki said the Cabinet's decisions would form the basis of the Government's mandate in talks with other stakeholders, unions and the National Economic Development and Labour Council.

"These recommendations must be viewed within the context of a government initiative over the past few months that focused its attention on compiling a comprehensive growth and development strategy that will help realise the goals of the RDP," he said.

"It is Government's intention to achieve these goals with minimum negative impact on employees and with the broadest possible involvement of all stakeholders in the process of transformation."

"Many of the recommendations revolve around the need to invite strategic equity partners to

► To Page 2

10 December 1995

T You, Kid

State sells off

billions in assets

(260) (235)
From Page 1

Join our public corporations, bringing with them capital, technology, and management inputs to ensure quicker development and delivery of services while providing international access and growth possibilities."

Mbeki is understood to have briefed the ANC's alliance partners – the SA Communist Party and Cosatu – on the move yesterday. Asked if the partners agreed with the moves, he replied "Yes, the whole matter of the restructuring of state assets is agreed."

He conceded that public sector jobs may be lost initially but said long-term consequences of greater efficiencies and investment would benefit the entire country.

Mbeki will head a cabinet sub-committee co-ordinated by Sigcau to spearhead the process. No time frame has been set. Mbeki said the Government wanted to follow as inclusive a process as possible.

Star 8/12/95



Starry-eyed... President Nelson Mandela met and shook hands with all 150 disabled children yesterday who were taking part in the Wheelchair Sports Camp at Norwood, Johannesburg. Children came from all over South Africa and Zimbabwe to attend the camp which ends today.

(260)
BROADCASTING *Am 8/12/95*
Still waiting for the IBA

Would-be broadcasters last week expressed their frustration over the pace at which the Independent Broadcasting Authority (IBA) is going about its work of opening up the airwaves

At the Independent Broadcasters' Committee's annual meeting, the committee, which claims more than 100 members, representing community radio, aspirant commercial broadcasters and would-be investors in transmitters, unanimously voted no confidence in the IBA. It also called for a public inquiry into IBA expenditure, and decided to investigate possible court action against it.

"The IBA has not fulfilled its mandate and therefore should be replaced by new members (councillors) who will be prepared to act in the interests of the public and the broadcasting industry instead of creating yet another gravy train," the committee said.

The main reason for their ire is that, when the IBA celebrates its second anniversary at the end of March, not a single new commercial TV or radio station will have been licensed.

IBA co-chairman Peter de Klerk confirms this. The IBA's triple inquiry reckoned that no new private TV channel would be airborne before January 1998, and De Klerk says he doesn't expect to be able to call for private radio licence applications until the middle of next year.

The only new broadcasters are community stations. About 80 have been licensed so far, of which about 60 are up and running. That is no small achievement, given the various benefits provided to a highly diverse society by community radio — as well as the 500 or so jobs already created by those fledgling stations.

The cost of that single tangible achievement is, however, inordinately high. The IBA's present staff complement is about 80, and De Klerk expects it to top 100 by April. This year's total expenditure, he says, will be about R30m, next year's nearer R35m.

The biggest single problem facing the IBA is that its enabling Act calls for it to protect the profitability of the SABC while opening the airwaves to community and private broadcasters.

De Klerk and fellow councillor John Matisonn argue that the IBA Act is based closely on Australia's equivalent legislation, and has met with the approbation of, among others, BBC executives. But neither the BBC nor the Australian Broadcasting Corporation has to compete, as the SABC does, with private broadcasters for advertising expenditure. They are financed by government grant and viewer licence fees.

The matter is further complicated for the IBA by the fact that not all the matters which it has to investigate lie within its decision-making powers. The major part of its triple inquiry concerned ways to protect the financial viability of the SABC. One of its recommendations was that eight of the SABC's radio stations be sold, though all of them are profitable.

Those stations, however, are assets that

belong to the State. Their disposal can only be authorised by parliament.

The process of getting that authorisation is a lengthy one. Parliament would have to have the sale proposal presented to it by Minister of Posts, Telecommunications & Broadcasting Pallo Jordan. He would not do that without getting the nod from his portfolio committee — and that, seemingly, could not be provided until February.

What if the decision goes against the sale proposal?

De Klerk says the licensing of private radio stations is an issue altogether divorced from the sale of SABC stations. But if the sale got the thumbs down, it would be back to the drawing board for the IBA in its task of protecting the SABC's profitability.

De Klerk admits that 1998 was proposed for the first new private TV channel essentially because he and his financial advisers don't believe TV adspend will expand fast enough to make all four TV channels profitable. The SABC, he points out, could not immediately divest itself of one of its three channels, were the decision taken to do so.

The same concern would presumably influence the IBA's approach to licensing private radio stations if the SABC stations were not sold. Even if all the proposed SABC stations were sold, the IBA might follow the example of its Australian counterpart, which tries to issue no more broadcasting licences in a given area than it thinks the advertising market can support.

Nevertheless, Matisonn is confident that in a year's time there will be "a viable competitive environment" involving the SABC and private radio broadcasters.

The greater the number of broadcasters, the more programme choice will be available, leaving the IBA less inclined, Matisonn indicates, to be prescriptive about what the public is offered.

IBA regulation of satellite broadcasting will also be "light", he says, because of the greater availability of frequencies and slow audience build-up. Matisonn reckons forecasts of 1m homes equipped to receive satellite broadcasts in three years' time is far too optimistic, given the costs involved.

Nevertheless, the IBA remains charged with the task of promoting a broadcasting industry that, as a whole, "caters for all language and cultural groups and provides entertainment, education and information, developing and protecting a national and regional identity, culture and character". Given the diversity of SA society, the paucity of its material resources and the demand on them, that is no small responsibility.

Moreover, as Matisonn observes, "We can't make rules that aren't sustainable. If the broadcasting company doesn't make money, our rules aren't worth a damn."

Now that's a thought that doesn't seem to have troubled those who framed the IBA Act. ■

Atlantis – no more a lost city

M+G (WM) 8-14/2/85 (49A)

(260)

Atlantis, an apartheid dumping ground for coloured people, has risen from a state of despondency with the creation of its own community radio station, writes **Ruben Mowszowski**

ONE comes across Atlantis suddenly when driving through scrub and sand dunes on the west coast road about 45km north of Cape Town. The absence of distinguishing landscape features and the ethnic uniformity of the population contribute to the sensation of having passed through a time warp into a world where apartheid and utopian planning did actually succeed.

Originally conceived as a kind of coloured *volkstaat*, Atlantis was meant to grow into a town of half a million people, assuming, according to an official policy report, "no change in the present political and economic white/non-white relationship".

Residents were attracted by the promise of work, industry by rebates and incentives. When the incentives were withdrawn, many of the businesses moved out and the railway goods service closed down. By 1989 Atlantis had an unemployment rate of 47 percent, the highest per capita homicide rate in the world and a whole package of social problems.

Atlantis did not exactly disappear under water, but it might as well have, for all that most Capetonians know about it. Now, riding the air waves on 107.9 FM, a community radio station has emerged that knows who it is, what it wants and where it's going. The lost city, it seems, has found its voice.

It was the community-based Atlantis Development Forum that set out to change the new town's lost-city image. To improve communications within the community, 27-year-old journalist Eva Georgia came up with the idea of a community radio station.

In 1993, with the help of the South African Clothing and Textile Workers Union, the local business community and the Open Society Foundation, Georgia and union organiser Rachel Visser began promoting the idea in schools and factories. In August this year an open general meeting elected a board of management and established Radio Atlantis as an autonomous organisation. The station went on air on September 1.

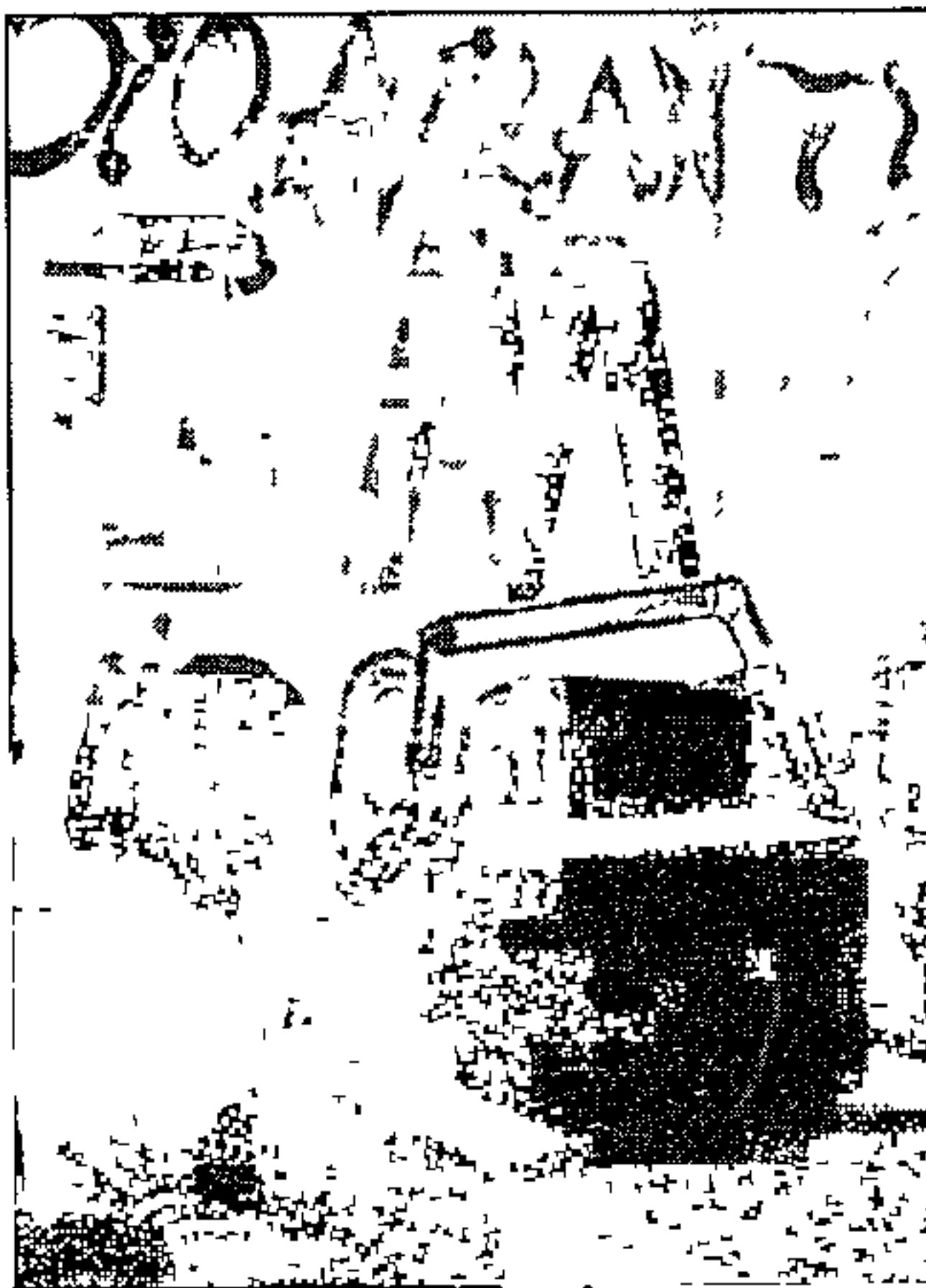
With its 30 watt roof-mounted transmitter, the station can be heard by everyone in Atlantis – a total of 75 000 people plus another 20 000 in surrounding areas. Georgia – now station manager – is confident that all the students are listening and Visser claims all the factory workers. Like other community stations, they lack reliable survey figures but, it being a closed community, their assessments have a degree of reliability. If Visser's guess of half the population listening is correct, Georgia's talk of expanding their advertising base to include national companies might not be just wishful thinking.

In addition to the support they receive from the Open Society Foundation, they derive income from programme sponsorship and local business advertising. Raffles, pledges and dedications supplement their income. A group of factory employees has offered a listenership contribution of R1 per month each. Others could follow.

A housing development company currently sponsors a talk show offering advice to house buyers. The sponsor advertises its product and the community receives useful information. It's a two-way process, an example of the way in which Radio Atlantis is addressing the needs of both business and the community.

There are 268 shebeens in Atlantis, and although the station has run advertisements for the local liquor store, there is a major

In a town where over 200 church denominations are represented, language must be kept 'clean' and no dirty jokes are allowed. Even gangsters, when they come on air, must talk nicely



Rising from beneath the airwaves: Driving force behind Radio Atlantis, station manager Eva Georgia (above), and the station's broadcast studio (left)

PHOTOGRAPH HERMAN VAN WYK

guage must be kept "clean" and no dirty jokes are allowed. Even gangsters, when they come on air, must talk nicely, says Visser, who also works as a presenter.

The station promotes conflict resolution rather than confrontation. Following a recent murder case, the station gave air time to the man thought by many people to be the guilty party. It airs the calls of men talking about what drives them to woman-bashing and, in issue-driven talk shows, always attempts to give "the other side". Inexperienced presenters at times get emotionally caught up in their subject matter, but they are encouraged to keep the balance and stay neutral.

The station has a core group of about 45 volunteers, with another 200 involved on a casual basis. Those who wish to volunteer are interviewed and, if accepted, must prove their commitment by doing a month's "dirty work" around the station. If they survive that, they receive training.

The local police are clearly enthusiastic about the station. It allows quick access to a specific community. The community gets crime reports and the police receive the community's co-operation in crime solving. The station can also play a part in crime prevention. By allowing the community to air its views on the conflict between two rival taxi associations, a potential flare-up is being defused.

The station is confident it will be on the air after permanent licences are given out. The first time Atlantis went to the Independent Broadcasting Authority, the staff took thousands of letters of support and they expect the next time it will be even stronger.

According to Atlantis mayor Noel Williams, Atlantis is experiencing something of a business revival. There are new shopping centres planned, the upgrading of sports facilities, a new magistrate's court and talks aimed at bringing the trains back.

The fact that a group of 15-to-27-year-olds could get a community radio station off the ground is giving fresh stimulus to a community previously plagued by despondency. "Nobody can say we're the lost city any more," says one listener. Atlantis has put itself on the map.

debate on future policy. "What is important for us is to educate people about alcohol abuse," Georgia says. So far, the station doesn't have a policy on cigarette advertising.

The station broadcasts, mostly in Afrikaans, from 7am to 7pm daily. It plans to extend broadcasts to 10pm once it has facilities for production. At present it uses the broadcast studio during the evening to produce the next day's material. There is a production room but at the time of the interview all it contained was a bicycle.

Aside from its music content ("This is a soul station," Georgia says) the station carries information of interest to the community, mostly talk shows. Georgia's show, *Heartbeat of the Community*, focuses on what she calls "burning issues" – abuse of women, particularly gruesome local murders and shebeen licensing.

People are no longer scared to speak up, she says. A woman gives her name and says "My father raped me." Another says "My husband stabbed me with a beer bottle last night." She gives his name and the factory where he works.

The style of the station reflects the conservative platteland origins of much of the population of Atlantis. In a town where over 200 church denominations are represented, lan-

Bop Broadcasting head under attack from SABC

M+G 8-14/12/95

(260)

Marion Edmunds

THE Bophuthatswana Broadcasting Corporation's (BopBC) new highly paid chief executive, Cawe Mhlati, has been stung with accusations of reneging on agreements with the SABC after less than a week in the broadcaster's hot seat. SABC officials have criticised her for her conduct in meetings to discuss the future of public broadcasting in South Africa. The SABC's Leslie Xingwa complained this week that Mhlati had tried to undermine agreements already brokered by the Joint Integration Board — the body discussing the merging of public broadcasters into a national public broadcasting service — although she had attended the meeting only as an observer. (The North West government had pulled BopBC out of the negotiations at the end of October, ending official participation.)

SABC sources say they suspect that Mhlati and her new deputy, Abbey Chikane, had been coaxed into the BopBC by the North West government so that they could represent the corporation aggressively, should they return to the negotiating table.

Mhlati was coaxed away from a top job at M-Net by a R35 000 a month salary and "great career prospects". Chikane is being paid R30 000 a

month but is still able to run his advertising business, Chikane Hunt Lascaris, at the same time. Both are seen as tough, persuasive negotiators with excellent political connections.

Xingwa charged this week that Mhlati's and Chikane's appointments had gone against a gentlemen's agreement that nobody would be appointed to top positions until the fate of the public broadcasters had been resolved.

Her job and her deputy's were not advertised and only they and one other were interviewed for the posts by the acting North West MEC for broadcasting, Molefi Sefularo.

The appointments also come at a time when BopBC staff are taking legal action to force the North West government to pay out retrenchment packages and close BopBC down.

Despite the protest from staff, the North West government appears anxious to keep BopBC going, even if it is in a reduced form. "We believe that there is life after integration," said Sefularo, who has also announced the government's intention of appointing a new board for BopBC.

Mhlati was "too busy" to respond to inquiries this week. She and Chikane are on six-month contracts.

GOVT, UNIONS SET FOR SHOWDOWN

State assets' for sale

ET 8/12/95 (260)

IN A MOVE that has prompted immediate reaction from the business community and unions, Deputy President Thabo Mbeki announced the first steps towards privatising state businesses.

BUSINESS leaders last night welcomed the government's move towards privatisation — including selling off parts of Telkom and SAA — but the country's main unions were gearing up to oppose the sell-off of state assets.

Reaction came soon after Deputy President Thabo Mbeki announced the government planned to privatise some state assets and to allow private partners in others, including the national transport and telecommunications sectors.

This is the new government's first major step towards re-adjusting the state's involvement in the economy with a view to reducing state debt, creating jobs, increasing black involvement in the economy, increasing competitiveness and meeting the RDP.

The move could raise billions of rand as it is estimated Telkom alone is worth R18 billion.

"We are not selling to raise money. disadvantaged communities need to be uplifted, the economy modernised, we need to establish a basis for sustainable growth," Mr Mbeki said.

He said the cabinet decisions fell into three main categories:

- The identification and formation of alliances with private partners to buy into Telkom, SAA and the Airports Company. The government would retain the "majority and controlling share" while undertaking schemes for employee share and black ownership.

- Sun Air, Transkei Airways and Autonet, the motor haulage arm of Spoornet, would be sold off in their entirety because state involvement was not considered strategic and these businesses operated in a highly competitive environment.

- A restructuring of other assets to make them more efficient and effective. This option included Spoornet and its support entities like Metro Rail, harbours controller Portnet and the South African Rail Commuter Corporation.

Confrontation

Mr Mbeki declined to give a time-frame.

The move could set the scene for the first major confrontation between the government and the unions, with Cosatu last night saying they would seek an urgent meeting with the government today. Cosatu called on the government to suspend the second phase of restructuring until a comprehensive evaluation had been undertaken.

Mr Albert Schuitmaker, deputy director of the Cape Chamber of Commerce and Industry, said it was a step the chamber had been supporting and promoting — Staff Reporters, Sapa-Reuter.

Power play in the parastatals

The power sector has come under the spotlight lately and is an issue of major concern for sub-Saharan countries, reports **Meshack Mabogoane**

ATEMPTS to restructure parastatals in the sub-continent have been the focus of fundamental discussions recently. Two conferences, addressing this issue and setting scenarios for market-related developments and economic changes, have been held in South Africa.

Two weeks ago a *bosbetrud*, headed by Minister of Public Enterprises Stella Sigcau, was held in Warmbaths to review deliberations and efforts to restructure the whole gamut of parastatals in South Africa.

The power sector in the Third World is, according to the World Bank, quite dismal

This week an international *indaba*, also opened by Sigcau, was held at the Eskom Conference Centre in Midrand on "power sector reform and efficiency improvement in sub-Saharan Africa."

The conference was largely a sequel to the bank's Roundtable Conference held in 1993, stirred by concern about the sector's poor performance in the Third World. Work began in 1988 when the bank initiated a review of policies and programmes related to this sector.

As the major provider of funds and facilitator of development in the Third World, the bank's position on this issue is crucial. It is part of its overall economic structural adjustment programme to redirect and prime the economies of the developing countries.

The power sector in the Third World is, according to the bank, quite dismal. Between 1979 to 1988 it has been adversely marked by:

- a decline in average real power tariffs,
- a deterioration of the quality of service,
- poor maintenance of plants,
- inadequate metering, billing and collection;
- poor management;
- and government interference in daily affairs.

Financial statistics have been as depressing. On average, rates of return have fallen from nine percent before the mid-1970's to five percent in 1991, self-financing ratios were 12 percent in 1991 against required targets of 20 to 60 percent.

"The deteriorating macro-economic situation and the debt overhang of the 1980's exacerbated these financial problems and worsened debt service coverage" in developing countries, according to the bank.

This militates against developing countries footing the maintenance and development bills. So to bail them out, other methods are needed.



Stella Sigcau: Reviewing the whole gamut of parastatals in South Africa

The bank is hopeful that there is greater "co-operation among public, private and international participants in power sector development than is often expected."

Policies should be based on general understanding and consent, efforts should be made to open the policy-making process and to the understanding of the public; and for the parties involved to tailor reforms while being sensitive to an understanding of local economic and political conditions.

US\$100-billion is required yearly to meet 'modest rates of growth' of the power sector

The bank estimates that US\$100-billion is required yearly to meet "modest rates of growth" of the power sector in developing countries.

Deliberations on power sector reforms seem to have eschewed the wholesale market approach that marked much of the thinking on restructuring the economies of the Third World. Certainly the realities of the power sector and distinct national economies have been as much of a concern

mtg 8-14/12/95

(260)

SABC gets go-ahead for four satellite TV channels

(260) Star 9/12/95

The SABC has been given temporary permission for four free-to-air satellite television channels, the Independent Broadcasting Authority said yesterday.

The SABC will be allowed to go ahead with its analogue broadcasts via the Panamsat 4 satellite, an IBA statement said.

The channels will provide the current TV1 line-up, including Sky TV overnight, the current CCV channel with CNN overnight and the current NNTV programme line-up.

The SABC will also broadcast a sports channel, with coverage of local and international sporting events, from 6pm to midnight daily.

Viewers with analogue satellite receivers and dishes will be able to pick up all four channels, which are still subject to all the regulations in place for local broadcasters, the IBA said.

The SABC's permission is only temporary, pending the IBA's decisions on satellite broadcasting regulations. It is considering, among other issues, codes of conduct for broadcasters, local content regulations, licence fees, advertising standards and possible restrictions on advertising - Reuters

ARG 9/12/95

You sell, we strike, govt told

JOHANNESBURG. — Organised labour has threatened strike action in opposition to the government's plan to sell off key assets.

The Federation of South African Labour Unions said the plan, announced by Deputy President Thabo Mbeki on Thursday, made a mockery of consultation and went against an understanding between the government and labour.

"We need not remind the government of the effect of a strike recently by just one of our affiliates," Fedsal general secretary Dannhauser van der Merwe said.

The South African Railways and Harbour Workers' Union earlier warned that strikes could be used to fight privatisation, which it said would not advance black empower-

ment or the reconstruction and development programme.

Sarhwu president Nelson Ndinisa said rallies and marches would be called to pressure the government to reverse its decision.

"We will take all possible measures to defend our members and that includes strike actions."

Fedsal and Sarhwu accused the government of disregarding agreed processes and undertakings, and unilaterally going ahead with privatisation proposals.

Fedsal and labour federations Cosatu and Nactu (National Council of Trade Unions) were due to meet Public Enterprises Minister Stella Sigau on Monday to discuss the government's plans for state assets. — Sapa.

Backing for SABC probe of its staff



□ TV BOSS: Dr Ivy Matsepe-Casaburri.

ARG 9/12/95 (260)

■ The SABC is to introduce a commission in the first quarter of 1996, but journalists would not be forced to testify.

JOHANNESBURG. — Journalists would not be forced to testify before a commission which was to probe the past of news reporters working at the South African Broadcasting Corporation, said SABC board head Dr Ivy Matsepe-Casaburri.

Dr Matsepe-Casaburri said the commission was likely to be established in the first quarter of next year. It would be ensured that the rights of employees were not violated through the commission, she said.

The National Association of Democratic Lawyers (Nadel) supports the SABC's call on journalists to disclose past links with police and the military.

Nadel said the SABC had to undergo its own truth and reconciliation process to assure the public and government it was composed of staff

committed to principles in the interim constitution.

● Police Commissioner George Fivaz said SABC radio journalist Carol Lane, who has been called to give evidence at the Magnus Malan trial in her capacity as a police reservist at the time of the KwaMakhutha massacre in KwaZulu-Natal, was not an intelligence agent of the former SA Police.

"There is also no record whatsoever of her being paid by the old SAP in this regard," he said.

Commissioner Fivaz said no police agents would be recruited from, or infiltrated into, any media organisation.

"Naturally, this policy in no way affects the normal day-to-day co-operation between the media and police in the fight against crime. The media has a pivotal role to play in combatting crime."

Ms Lane, a State witness in the Malan trial, rejected the corporation's request to take leave, pending an internal inquiry.

Ms Lane threatened to take legal action against the SABC. She claimed the SABC failed to explain why she should take leave. Ms Lane has given the SABC until Monday to give her an explanation — Sapa.

SABC gives the thumbs-up⁽²⁶⁰⁾ for 4 satellite TV channels

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and international sporting events, from 18h00 to midnight daily

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Capital Radio sold to SA consortium

DURBAN — Broadcasting Minister Pello Jordan has approved the sale of Durban's Capital Radio to a consortium of South African businessmen, a spokesman for the station has said

Capital Radio MD, Herbert Jikela, said Dr Jordan had approved the sale to Mediaware Consultancy which offered to buy the station for R3 million

[260]
"They were one of five offers," he said **ARG 9/12/95**

"At the moment we are doing the final negotiations," Mr Jikela added

Mediaware Consultancy director Malcolm Russell declined to say how much the consortium had paid, but said the sale would be finalised once the Independent Broadcasting Authority (IBA) had issued a commercial licence to the new owners. — Reuters

Crisis talks today over privatisation

ARC 11/12/95 (260) (222)
□ Union anger about plan to sell state assets

CLIVE SAWYER
Political Correspondent

EVEN as the government and Cosatu prepared for talks today to avert a crisis over privatisation plans, a major trade union has announced plans for mass action against the restructuring of state assets.

The South African Railways and Harbour Workers Union (Sarhwu) accused the government of betraying workers, and said rallies and marches would be held to press the government to reverse its decision.

Deputy President Thabo Mbeki last week announced cabinet approval of total or partial selling of billions of rands of state assets, including South African Airways, the Airports Company and Telkom.

In a statement issued before

today's meeting, Cosatu said any public enterprise which went ahead with unilateral restructuring would "feel the wrath" of the union federation.

The government's privatisation announcement brought a furious reaction from Cosatu. This heightened tensions evident last week when the giant labour federation said it would "go to war" over Katz Commission proposals to investigate increasing value-added tax.

There seemed little room for manoeuvre on the privatisation issue, following African National Congress national executive committee endorsement.

In a statement issued after a meeting this weekend, the ANC national executive said it "strongly endorsed" the way

the method of restructuring was linked to the RDP.

At today's meeting between Cosatu and the government, Sam Shilowa, general secretary of the union federation, will put five demands.

These include a moratorium on restructuring, and government including Cosatu in a new restructuring programme.

Sarhwu president Nelson Ndinisa said the union would take "all possible measures" to defend its members. This would include strike action.

Privatisation would not advance black empowerment or the RDP, he said.

Cosatu questioned whether the government had a coherent strategy and warned against restructuring that "benefits a new black elite".

Government denies privatisation plan

By Abdul Milazi
Labour Reporter

THE Government will not privatise state assets, Public Enterprises Minister Miss Stella Sigcau told journalists after a three-hour meeting with organised labour in Johannesburg yesterday.

Sigcau's assurance came after an outcry from the National Council of Trade Unions (Nactu), the Congress of SA Trade Unions (Cosatu) and the Federation of SA Labour (Fedsal) following an announcement last week by Deputy President Thabo Mbeki that the Government intended to privatise

public assets

The minister said Mbeki had merely announced proposals by the Government for the "restructuring and reorganisation" of state-owned enterprises, that were still to be referred to a national forum for negotiation.

Cosatu had earlier expressed "shock and disbelief to the Deputy President on how the Government is handling this critical area affecting transformation of our country".

Fedsal said the Government and organised labour had agreed informally that the restructuring of State assets would be negotiated, but "the next

thing was this ridiculous announcement, directly to the media, about decisions the Government had taken unilaterally".

Nactu equally condemned the proposal, saying it would not "sell the jobs of our members".

However, after yesterday's meeting, the union groups appeared to have changed their tone towards the Government.

Cosatu general secretary Mr Sam Shilowa tried to explain the federation's earlier remarks by denying that the statement was about Mbeki's announcement.

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Sowetan 12/12/95

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Sowetan 12/12/95

Showdown at unions' meeting

Sowetan
By Abdul Millazi Labour Reporter 11/12/95

SPARKS are expected to fly today when major South African trade union federations meet Public Enterprise Minister Stella Sigcau in Pretoria over the planned privatisation of public assets.

Plans to privatise some Government-owned companies, including Telkom and Transnet, were announced by Deputy President Thabo Mbeki at a special meeting with organised labour last week.

The Federation of South African Labour, Congress of South African Trade Unions, the National Council of Trade Unions and the SA Communist Party have expressed outrage at the move, while the African National Congress welcomed it.

The federations complain they were not consulted while the ANC said at the weekend: "The ANC and its allies is encouraged by the consultative process which Deputy President Thabo Mbeki and other ministers embarked upon in an effort to develop a common perspective and overall understanding of the process".

Fedsal spokesman Mr Dannhauser van der Merwe said. "It (the decision) makes a mockery of so-called consultation if trade unions directly involved in a company such as Autonet hear on the news that their company will be sold off. What is there to consult about if Government has seemingly already made the decision?"

Cosatu said the task force on re-organisation of State assets had made recommendations to Cabinet without consulting trade unions. This was despite an undertaking by the Government earlier this year that proposals and plans on the restructuring would be presented to all stakeholders at NEDLAC.

"The agreement that Government would institute a moratorium on unilateral restructuring while the discussion was taking place has not been honoured," it said.

Afrikaners

'must fight

for TV time'

(260) ET 12/12/95

PRETORIA: Afrikaners would have to fight the SABC over proposals to reduce the amount of air time their language would be given on television, Freedom Front communications chief Dr Pieter Mulder said yesterday.

Dr Mulder was reacting to a recent SABC announcement that in future English would be the broadcast medium for 65% of all broadcast time on television, while Afrikaans would be used 1,2% of the time and 3,8% during peak viewing times.

This was unacceptable to the FF, he said. Viewers and television licence-holders would have to exert combined pressure on the SABC to stop this.

It was misleading to say that Afrikaans would get treatment equal to other vernacular languages and not suffer harm.

Afrikaans was the only language to suffer reversals in air time. The position of languages such as Zulu and Sotho had in fact improved.

Dr Mulder said the envisaged changes were not in line with constitutional pledges — Sapa

Bosses 'dance to ANC tune'

(260) M+G 15-21/12/95

Staff at the SABC and Sowetan are accusing their managements of kowtowing to the ANC, report **Marion Edmunds** and **Rehana Rossouw**

STAFF in the newsrooms of both the South African Broadcasting Corporation and *Sowetan*, the country's largest daily, charge their independence has been compromised, and accuse management of "meddling" to curry favour with the African National Congress.

The SABC was this week slammed for earlier attempts to suspend journalist Carol Lane, a former police reservist and witness in the Magnus Malan trial, while *Sowetan* staffers are unhappy that their political staff's work was checked by management, allegedly for "biased" reporting.

The SABC's largest union, the Broadcasting, Electronic Media and Allied Workers' Union (Bemawu), said the SABC board had asked Lane to take leave after ANC statements accusing her of masquerading as a journalist while being on the police payroll. The union charges it shows management tried to dance to the ANC's tune.

A formal investigation into the affair will start today, when three senior SABC managers — including Radio chief executive Govin Reddy — fly to Durban for a first meeting with Lane

and her legal representatives.

Reddy, who heads the inquiry, countered that the SABC had acted in response to media inquiries about her having been listed as a police witness in the Magnus Malan murder trial — rather than the ANC statement "The situation is unclear as nobody has done a thorough investigation yet."

Bemawu spokesman Hans-Dieter Winckens said the union had lodged a grievance on Lane's behalf but that the conflict might be resolved through the inquiry. Whatever the outcome, Bemawu will be demanding a "loud and clear" apology from the SABC.

Meanwhile, *Sowetan* reporters believe their editorial independence is being undermined after general manager Roger Wellsted drew political reporters' clippings files recently and sent them to the paper's chairman, Dr Nthato Motlana, for scrutiny.

Sources on the papers said it appeared the journalists' work was being checked for political bias. Last Thursday, political staff met Wellsted and were told they were not above scrutiny and criticism. It appeared *Sowetan*'s editor, Aggrey Klaaste, was kept in the dark about the file search.

After Motlana took control of *Sowetan* in 1993, some staffers expressed unease at his high-profile membership of the ANC. However, in consultation with staff, a charter was drafted which guaranteed editorial independence.

A senior source on the paper said Wellsted was well aware of the percep-

tions of bias on the paper — he had commissioned market research which showed that 51 percent of the paper's readers believed its political coverage was independent, while of the 30 percent which said it was biased, 92 percent believed it favoured the ANC.

Another journalist said the incident revealed clearly how much power *Sowetan*'s general manager believed he wielded. Wellsted is employed by Independent Newspapers on a management contract which was devised when the paper was sold to Motlana's New Africa Publications.

The perception now is that Aggrey (Klaaste) is too weak to defend his turf. Why should junior reporters have to confront the general manager? It is an editor's responsibility to protect his staff," said the reporter.

A senior reporter said as far as he could ascertain, the complaint about *Sowetan*'s bias emanated from Independent Newspapers, and not the ANC. "We have running battles from time to time with the ANC over individual stories, but our staff have a good working relationship with them."

"We have people from all political persuasions on *Sowetan*'s staff, and they are all fully aware that our only role is to reflect the views of the entire society to the best of our abilities."

Klaaste did not respond to a request for comment on his reporters' allegations.

Jobs second to capital in IDC's priorities

ST (PR) 17/12/95 (260)

NO one can accuse the Industrial Development Corporation of lacking ambition. In its latest annual report the state-owned corporation announces a R20-billion, five-year investment plan in manufacturing and agriculture that will attract a further R40-billion from the private sector.

This follows a four-year period to 1995 in which the IDC spent R10,7-billion on projects such as Alusaf, Columbus Steel and Namakwa Sands.

A breakdown of the expenditure (see accompanying tables) also shows that less than 10% of the money was spent on small and medium enterprises (SMEs). The R1,4-billion invested in 757 SME projects, however, created some

IDC FUNDING		
	1995	Past four years
Small and medium enterprises	331	924
Large beneficiation projects	3 064	6 327
Other manufacturing	511	729
Export finance	41	340
Total	4 078	10 713

Graphic: RONA KRUSCH

Source: IDC

27 000 jobs, 65% of the total number of jobs resulting from the IDC's investment portfolio. These figures are a damning indictment of the IDC's job-creating ability, considering that the Small Business Development Corporation, for example, creates one job for every

R20 000 it invests. Christo Wiese, the IDC's chairman, admits in his annual report that the corporation will have to play a stronger role in meeting national development objectives. "An initiative is currently under way in terms of which more labour

THE ECONOMY

The IDC is planning to invest R20-billion over the next five years but most of this is devoted to large capital-intensive projects, not job-creating small businesses, writes

SVEN LUNSCHKE

Intensive production is to be encouraged in the high-value-added industries downstream of our international competitive, natural resource-based industries," writes Mr Wiese. "This initiative aims to alter the direction of and strategy underlying IDC investments."

However, projects planned under the IDC's five-year programme show a preoccupation with capital-intensive beneficiation, which will have a marginal impact on unemployment. The R6,4-billion Sal-danha steel project, in which the IDC is an equal

IDC FINANCING OF SME'S		
		% of total
Amount invested by IDC	R1,39bn	7,9
Projected annual export earnings	R2,09bn	13,8
Total annual export earnings	R2,09bn	13,8

Graphic: RONA KRUSCH

Source: IDC

shareholder with Iscor, is a case in point. The investment will create a mere 600 permanent jobs at R10-million a job. Other projects with a marginally higher job creating potential include:

- A R1,2-billion styrene plant in KwaZulu-Natal;
- A R4-billion aluminium and magnesite plant near Phalaborwa; and
- A R2,5-billion iron carbide plant in Phalaborwa.

Clearly a measure of refocusing is essential and should be proposed by the task group examining the IDC as part of the government's programme to restructure state assets. It is not longer than absolutely necessary.

Another four sought to help regulate broadcasting

(260) Star 18/12/95

The Independent Broadcasting Authority has called for nominations for the appointment of four more councillors to regulate broadcasting. They will join the existing four.

Nominees must be "committed to fairness, freedom of expression, the right of the public to be informed, and openness and accountability".

Qualifications must include

"expertise and experience in the fields of, *inter alia*, broadcasting policy and technology, media law, frequency planning, business practice and finance, marketing, journalism, entertainment and education".

They are to be shortlisted by a joint committee of Parliament and the Senate, with the shortlist of nominees to be interviewed at public hearings. The

committee would then present its findings to Parliament.

The IBA has never operated at its full strength.

The first to leave was Prof Harriet Ngubane, who was disqualified after her decision to take up a party-political post – regarded as grounds for disqualification – as an IFP member of Parliament – Staff Reporter.

Azapo supports Cosatu action

Sowetan 18/12/95

By Mzimasi Ngudle

THE Azanian People's Organisation yesterday threw its weight behind tomorrow's two-hour work stoppage called by the Congress of South African Trade Unions in protest against the unilateral restructuring of state assets.

Azapo national media spokesman Mr David Lebethe said the organisation fully supported the action – and called upon people to “take to the streets and march in their numbers to Pretoria”.

“Azapo is against privatisation of state assets by the Government of National Unity whose mandate ends in 1999.

“The problem with the GNU is that it fools itself into a de facto government.

“Already there are spurious decisions such as having the land mortgaged to the International Monetary Fund and the World Bank whose programmes have only plunged Africa into famine, disease and abject poverty.

“Azapo fully supports efforts by

black workers to register their opposition to the raping of the country long before liberation.

“We are following developments around this issue and would soon make contact with Cosatu and the National Council of Trade Unions on a possibility of a joint initiative,” Lebethe said.

Meanwhile, Cosatu president John Gomomo yesterday said the federation agreed with the government on the processes leading to the restructuring of government assets, but could reach no agreement on content.

Gomomo was speaking after Friday's meeting between Cosatu and Deputy Finance Minister Alec Erwin – reportedly to avert a one-day general strike by Cosatu in January next year.

ANC deputy secretary general Ms Cheryl Carolus said the organisation was discussing the threatened strike and privatisation with Cosatu. It was in this light that Erwin met his former colleagues, she said. Deputy President Thabo Mbeki told journalists he did not think Cosatu would go ahead with the threatened January strike.

Cosatu strike 'a warning'

Major gripe of the federations is that they were not consulted on the issue

By Abdul Millazi
Labour Reporter

TODAY'S TWO-HOUR STRIKE by members of the Congress of South African Trade Unions (Cosatu) is set to cost many businesses millions of rands in lost production

Cosatu called for the strike to protest against the Government's plans to privatise some of the key public assets.

Cosatu spokesperson Nowethu Mpati said today's strike was a warning to the Government not to play with the lives of its members

"When we talk privatisation we are talking about the loss of jobs and poverty. Cosatu will not allow that," said Mpati

National strike

Mpati said the federation was already planning for a national strike on January 16 when the whole country is expected to come to a standstill

"Workers will march from all corners of the country and there will be demonstrations," Mpati said

She said last week's meeting between labour and Government to resolve the issue, did not reach any positive agreements.

"There was agreement only on the process, but not on the content of the restructuring and reorganisation exercise," said Mpati

Sowetan 19/12/95
The National Council of Trade Unions (Nactu), the Federation of South African Labour Unions (Fedsal) and Cosatu have objected to the Government's announcement a week ago of its intention to privatise

The main grievance of the three federations was that they were not consulted while it was agreed at the National Economic Development and Labour Council (Nedlac) that the Government would not restructure without consulting all stakeholders.

Public assets targeted for privatisation are Transnet and some of its subsidiaries including Autonet, Airport Company and the PX parcel delivery service. Transkei Airways could also be sold.

This was announced by Deputy President Thabo Mbeki a week ago when he told trade unions that Cabinet had approved recommendations to privatise some of the core assets and sell off all non-core assets.

After a special meeting last Monday Nactu general secretary Mr Cunningham Ngcukana vowed that his federation would not sell its members' jobs. He argued that the labour movement was in favour of restructuring and not privatisation.

His sentiments were echoed by Cosatu's Sam Shilowa, who said assets like Telkom had benefited whites only, and now when it was the black people's turn to benefit, the Government wanted to privatise

R50-m for 500 BBC Workers

By Abdul Mlazi
Labour Reporter

THE North West provincial government will pay more than R50 million to 500 Bophuthatswana Broadcasting Corporation workers in retrenchment packages tomorrow

Mr Willie Modise, a spokesman for premier Mr Popo Molefe, said the provincial government was preparing the packages and "double-checking

whether they are legally correct and in line with the agreement reached with the workers"

The retrenchments are part of the restructuring of the country's broadcasting companies and those of former homelands

More than 500 workers initially applied for retrenchment packages for fear of losing their jobs when plans for the integration were announced early this year

Modise said it was difficult to say how many workers would be paid out tomorrow because some did not want to be retrenched

The pay-out which was initially estimated at R89 million was reduced after a series of negotiations between the provincial government and workers, which resulted in an out of court settlement

The retrenchment packages were described by the Media Workers Asso-

cation of South Africa as "lucrative" before they were reduced. Initially the packages included a one year's notice pay and one month's salary for every year of service

Workers were given a choice to be retrenched before or after the planned integration of the South African Broadcasting Corporation and broadcasting arms of former TBVC states

Mwasa general secretary Mr

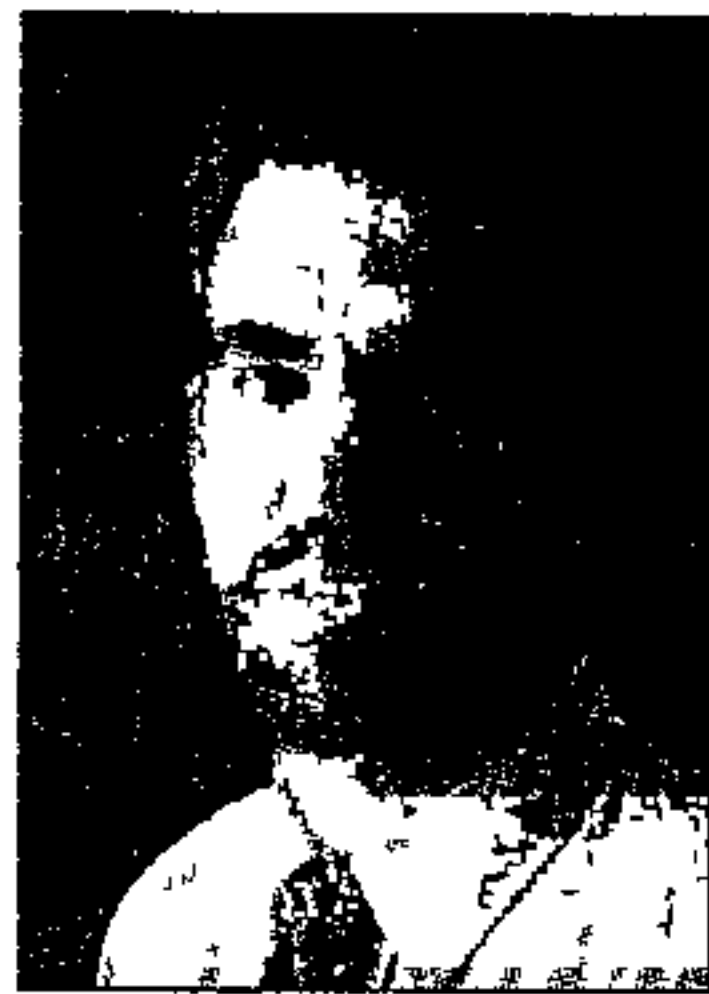
Sihembele Khala said members were happy with the packages. He said only 200 of the 700 BBC staff would remain with the corporation after the retrenchment

Khala said the packages had not been changed, except for pension benefits which have been removed

Molefe earlier claimed that the retrenchment pay-out would cost the provincial government R68 million and the central Government R300 000

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Sowetan 20/12/95

Radio and television ring in vital changes



This year has seen more changes in broadcasting than any time since 1936, when the SABC was founded, ranging from ownership to language issues, and these have not been achieved without instances of rancour from members of the public

(260) Star 21/12/95

By MICHAEL SPARKS

This has been an incredible year for those South Africans who listen to radio or watch television. Without question 1995 has seen more changes in broadcasting than since the SABC's foundation in 1936.

More radio stations came on air this year than had ever before existed in the country. Television viewers also had more viewing options as satellites beamed new images on to the screens of those who could afford it.

But still, prospective commercial broadcasters were dissatisfied with the Independent Broadcasting Authority's painfully slow pace of granting licences which prevented them from broadcasting and it now seems unlikely they will be on air before the middle of 1996.

The greatest change for radio listeners is the huge variety of community stations, with Radio Maritzburg the first station to be granted a one-year temporary licence and a further 81 licences granted since then.

Stations are as diverse as the right-wing Radio Koppies, Radio Vryheid and Radio Pretoria and stations like those serving townships like Soweto and Khayelitsha.

Apart from granting community licences, the IBA was kept busy with its inquiry into the kind of languages and programming the SABC should provide and how it should be funded; the amount of local programming

broadcast and whether newspapers could be involved in broadcasting or if that would result in a news monopoly.

The IBA held numerous hearings around the country, a process that took close to a year. The authority finally produced its wide-ranging report at the end of August.

The report included a proposal that by 1998 the SABC lose one of its television stations to a commercial venture instead getting a single satellite station.

Private broadcasters would have to play 40% local music by the year 2000 while community and public broadcasting music stations must play 55% local music.

Television also has local content requirements, and 50% of programming must be local within three years, with all official languages being broadcast during prime time every month.

On the issue of local content, National Association of Broadcasters (NAB) executive director Daniella Goldman questioned whether sufficient local music of high quality was available and criticised the IBA for setting such high levels of local content when local record companies had not committed themselves to developing local musicians.

The report also stated that no company which controls a newspaper could also have financial control of both a radio and a television licence, with other restrictions on newspapers in smaller

areas also controlling broadcast media.

In calling for fewer restrictions on cross media ownership, Ivan Fallon, editorial director of Independent Newspapers, which owns The Star, told the parliamentary subcommittee on broadcasting last month that "newspapers are the dinosaurs of the media industry which are in a long, slow decline, forcing us to become involved in the electronic media to survive."

"If a group like ours is deprived of that opportunity, we will continue to function but we would be hugely inhibited in terms of growth. We are not asking to dominate the broadcasting arena, but just to be able to grow," Fallon said.

The report is now with Parliament for consideration.

Next on the IBA's agenda is considering long-term community licence applications and holding hearings on how to regulate the satellite industry.

The advent of satellite television in the country in the second half of the year has brought a vast new array of choices for the viewer - if they have the money to pay for them. M-Net has brought a whole bouquet of new channels to viewers prepared to spend at least R5 000 to buy the satellite dish and a digital integrated receiver decoder.

Other changes at the SABC include the appointment of a number of senior people as part of the corporation's continuing transformation process, including new heads for all three television chan-

nels in line for their relaunch in February, and the appointment of a head of Television News Productions (TNP) which will create greater certainty and direction for the corporation.

But the SABC has not been without its crises either. Probably the best known controversy was the relaunch of SAfm in March, resulting in a fierce battle over "acceptable" English accents on the radio.

As accusations of racism and poor English flew back and forth, the new station seems to have a fairly dedicated listenership, with the reduced audience anticipated.

Another debate which raged through the year, in a campaign spearheaded by the Afrikaans press, revolved around reduced Afrikaans broadcasts on television and fewer Afrikaans church services broadcast. This led to debate about a separate Afrikaans television channel, possibly transmitted by satellite. The discontent led to oft-made, but never acted upon, threats by various Afrikaans organisations to boycott paying television licences.

Currently Afrikaans is to share a channel with Sepedi, Sesotho and Setswana, while one channel will be dedicated to Zulu, Xhosa, Tsonga, Venda and Ndebele. The third channel would be primarily English.

Although this will enable equality between most of the country's official languages, Afrikaners are unhappy since it

will result in slightly less Afrikaans being broadcast.

Another hiccup in the industry came from the Bophuthatswana Broadcasting Corporation which encountered a mini-revolution among staffers who all opted for what was described by North West Premier Popo Molefe as "the most generous retrenchment packages in the country's labour history", rather than becoming integrated with other homeland broadcasters.

Molefe said the Government could not afford the retrenchment packages valued at more than R400-million, including one of R596 000 for Solly Kotane who had headed the corporation for just 14 months.

His package caused particular bitterness since Kotane had a new job lined up as head of the SABC Communications Service, which he now works, after accepting smaller package.

The furore resulted in provincial broadcasting MEC Riana de Wet, who had agreed to the retrenchment packages, resigning her cabinet post, while negotiations continue on the retrenchment package for Bopu employees.

Next year will see many broadcasting policy changes. But real changes will also take place on the airwaves with new commercial radio stations coming on air or taking over those SABC stations up for sale, and more satellite television channels also starting transmissions.

IBA to finalise broadcast licencing issues

THE Independent Broadcasting Authority (IBA) would deal with a range of licencing and other issues in the coming year, an IBA statement said yesterday

The authority would be involved in formal inquiries and consultations to determine policies affecting licencing processes. These matters had to be determined before licence conditions could be finalised, it said

Applications from current temporary community broadcasters, whose licences were about to expire, and new applications would have to be dealt with at the same time

The selling off of SA Broadcasting Corporation radio stations would require attention from the IBA. Hearings would also have to be held into satellite broadcasting and frequency planning

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