

# The Argus 18/3/93

## State gives health and education a R33 b slice

### Political Correspondent

EDUCATION and health benefit by more than R33 billion with this year's Budget.

More than R22,7 billion is to be spent on education in 1993/'94 — 19,2 percent up on last year.

This does not include salary increases for teachers or TBVC countries.

A key element is the provision for the start of the long-term financing plan for a single education system under the Education Renewal Strategy.

Of the total allocation for education, R17-million has been earmarked for initial spending to get the strategy started.

● Health services are getting more than R11 billion in the Budget and more than R400 million is to be spent on feeding schemes. The health budget is up 11 percent on last year.

Furthermore, the government is to streamline health services to keep down delivery costs. A committee is expected to make recommendations soon.

The Budget Review says "the straitened economic circumstances necessitate a drastic improvement in the cost effectiveness in health care delivery on the part of all health authorities".

Legislation is to be introduced during this session of parliament to establish a new management model for academic hospitals to give them greater autonomy.

Poverty and the drought have increased the demand for food aid and the government is to spend R400 million this year on the National Nutrition and Social Development Programme.

This will be supplemented with any funds left from the R400 million allocated for nutrition schemes in last year's Budget.

The allocation to the Protein Energy Malnutrition Programme, also administered by the Department of National Health and Population Development, is to be raised to R40 million.

Other departments which will get more are:

● The R6,5-billion police budget for 1993/'94 is up 14,3 percent on last year's allocation. The recently-expanded air wing of the police will be funded from this amount. The Budget Review says greater police visibility is crucial;

● The allocation for prisons goes up 17,6 percent to R1,7-billion. In addition, the Department of Correctional Services is taking "various steps to counter rising costs ... including the further development of corrective supervision as an alternative service option and controlled early releases. Prison labour is to be used more effectively";

● The justice budget goes up 24,1 percent to R965,5 million — largely to fund structures arising from the National Peace Accord, various boards of inquiry, implementation of new legislation and a higher demand for legal assistance by the underprivileged; and

● The Rail Commuter Corporation is to receive R1,2 billion from the 1993/'94 Budget, with the Exchequer taking full responsibility for its operating deficit.

Transnet had not yet generated sufficient revenue for the commuter corporation's operating losses to be financed from direct payment of Transnet dividends.

The voted amount of R560 million for 1992/'93 had to be supplemented by R620 million — a total of R1,18 billion.

The Commuter Corporation's operating losses appeared to be on budget, while the accumulated debt would be merged in the public debt.

### LOSERS

## Defence spending slashed by 14%

### Political Correspondent

DEFENCE spending has been slashed by more than 14 percent to R9,3 billion, taking inflation into account.

Nominally, the 1993/'94 defence budget is 3,8 percent below last year's allocation, but the cut is 14,1 percent in real terms, according to the Defence Vote memorandum.

Most of the cut is expected to be absorbed by the Air Force.

A big cut — 15 percent in nominal and 24 percent in real terms — is to be made in the Special Defence Account budget. Most of this covers weapons procurement, but also includes covert operations.

"The downsizing of the conventional fist of the Defence Force is regarded as quite acceptable on the present and projected reading of external threats to South Africa," according to the Budget review.

The explanatory memorandum says the cut in the Special Defence Account is due mainly to "the scaling down and cessation of conventional capabilities within the Army, Air Force and Navy as a result of the present perception of the threat and the reduced funds available.

"An attempt has nevertheless been made to maintain conventional operation capabilities at minimum acceptable levels."

The Defence Force will retain its medical capability "at this stage", to provide services to prisons and the police.



# The Argus 18/3/93

## R3,2 b chopped from deficit

**Business Staff**

FINANCE Minister Mr Derek Keys has sliced R3,2 billion from the controversial Budget deficit.

This meets a commitment to move towards bringing government spending under control.

The final deficit for last year has been put at R28,564 billion or 8,6 percent of GDP.

Total government spending for this year is up an estimated 8,8 percent to R114,154 billion, which is below the rate of inflation.

Mr Keys estimates the 1993/94 deficit will be 6,8 percent of GDP or R25,3 billion.

The eventual target is to get the deficit below three percent of GDP.

The servicing of government debt will cost R22 billion, or 17 percent of this year's expenditure — up from 14,8 percent two years ago.

Mr Keys said current expenditure, excluding the payment of interest on debt, would be an estimated 2,8 percent.

Consumption expenditure, which accounts for civil service pay and the purchase of goods and services, is to increase 8,4 percent.

Civil service pay, which includes the five percent across-the-board increase and notch increases, will average an estimated 11,8 percent.

Capital expenditure will go up 23,9 percent with 43 percent of the amount going on social spending.

At central government level alone, capital spending totals R7,4 billion or two percent of GDP.

## R1,048-b to be spent on putting roofs over heads

**Political Correspondent**

THE government is to spend R1,048 billion on housing this year.

The Budget Review says housing progress depends to a large extent on co-operation between the government and National Housing Forum.

This year, R200 million will be given to the forum "with a promise of more to come and full participation within the Budget in the determination of next year's needs".

With income from various housing funds, from loan service and redemption, this will give a total of R1,659 billion for housing.

Added to this will be the unspent balance from the 1992/'93 housing fund.

It is estimated that a further R800 million or so will be spent on housing by the Development Bank, the South African Housing Trust, the Independent Development Trust and self-governing territories.

The review says: "The total funds available should enable the role players involved to maintain the present rate of housing delivery and, indeed, to accelerate it considerably if the co-operation initiative between the government and the National Housing Forum bears fruit."



Peace mission: ANC, PAC ask for King Goodwill's help

# Leaders seek 'Zulu solution'

ULUNDI—A "peace mission" comprising ANC and PAC leaders, businessmen union officials and clergy, met the KwaZulu Legislative Assembly caucus here yesterday, seeking the intervention of the Zulu king in ending the violence plaguing the region.

In what appeared to be the beginning of a ground-breaking and uniquely "Zulu solution", a joint committee made up of the visitors and members of the KwaZulu Government was formed.

## Political Staff

Led by the president of the Inyanda Chamber of Commerce, Mr Roger Sishi, the delegation included ANC deputy secretary-general Jacob Zuma, PAC national executive member James Mkhwanazi and the deputy secretary-general of the National Council of Trade Unions, Mr M Sikhosana.

The KwaZulu men who were chosen to work with them included IFP national chairman Dr Frank Mdlalose and the chairman of the cau-

cus, the Rev C J Mthetwa.

Although the role of King Goodwill Zwelithini in the initiative was unclear and, according to a spokesman for the delegation, "confidential at this stage" it had his blessing.

"I am aware that the leaders are very concerned about the levels of violence in Natal and KwaZulu. I welcome the decision to form a committee ... where people can pool their wisdom," the king said.

The marathon, four-hour in-camera discussions were described by Chief Minister Dr

Mangosuthu Buthelezi as "wide-ranging, open and frank".

He called the committee a "group of Zulu men concerned about the violence".

"This region has been devastated to the extreme by violence and warring factions do not seem to see this even though many appeals have been made to them," said Mr Sishi.

"Our feeling is that if things can be done regionally and if we can get the involvement of His Majesty the King, we can get somewhere," he said.

## Warders held

NINETEEN prison warders have been arrested and charged with intimidation after a Police and Prisons Civil Rights Union strike last month.

Police confirmed that the warders had been arrested and charged after allegations of intimidation of prison warders who had not taken part in the strike.

Six warders appeared in the Pietermaritzburg Magistrate's Court yesterday. The other 13 are due to appear on Friday. — (Pietermaritzburg Bureau)

# Gwala's 'realisation' welcomed

By Grant Robbins  
Pietermaritzburg Bureau

THE IFP has welcomed ANC Natal Midlands chairman Harry Gwala's call for an end to the war in the Midlands.

The IFP said in a statement yesterday Mr Gwala's new conciliatory approach and policy of non-violence "marks a refreshing break from his previous vitriolic and inflammatory statements".

"Through his militant rhetoric, Mr Gwala promoted the ANC's policy of violence in

the Natal Midlands. There is no doubt that his provocative statements incited the youth to attack IFP supporters," the IFP said.

"We are encouraged by Mr Gwala's realisation ... that violence can never provide lasting and genuine solutions

to our troubled land. We may yet see Mr Gwala emerge as a pacifist blazing a trail of peace in the volatile Natal Midlands region."

The IFP was responding to a call by Mr Gwala, made at the weekend, for an end to the war in the region and for the leadership of the ANC and IFP to visit flashpoints jointly "to show the people" they were committed towards establishing peace.



# COSAG still firm over regionalism

By Fred de Lange

A TWO-DAY meeting by members of the Concerned South Africans Group (COSAG) ended in Pretoria yesterday with the movement again stressing that it stood firmly behind the formation of regional states as one of the corner stones of a new constitutional dispensation.

The Minister of State Affairs of Bophuthatswana, Mr Rowan Cronje, said on behalf of the COSAG executive after the meeting there had been broad discussion on boundaries for such regional states.

The 15 COSAG organisations who attended the summit also discussed the criteria which should be used to determine such boundaries and states.

"There have been a cross-section of views and submissions on how we should implement regionalism and all proposals, including that of an Afrikaner volkstaat, was placed under close scrutiny.

COSAG to pave the way for a regional solution to South Africa's complex political problems.

Several committees were appointed by COSAG to deal with specific issues and processes.

"The important thing is that these talks have again underlined the genuinely democratic nature of the COSAG structure and the diversity on which its strength is based. Mr Cronje said.

This served as a shining example to the multi-party conference.

He said the COSAG stance on regionalism was also in strong contrast to the reported call on the government by the ANC in Cape Town on Tuesday to unilaterally end the independence of Transkei, Bophuthatswana, Venda and Ciskei and its apparent hardline stance on re-incorporation.

Mr Cronje added that the talks of the past two days should be seen in the context of the ongoing search by the members of



**'Fear must be addressed'**

LLOYD GOOTTS

MORE Afrikaners would find a political home in the ANC if the organisation was given an opportunity to convey its views without distortion, ANC spokesman Carl Niehaus said yesterday.

Addressing a meeting at Rand Afrikaans University (RAU), Niehaus said support from Afrikaners would come if the ANC could address fears about the preservation of the Afrikaans language and culture.

"There is no other political organisation in SA with a longer and stronger history of struggle for a non-racial and democratic country. But even if you are not prepared to vote for us we still have a duty to address your fears so that you do not refuse to participate in the democratic process out of fear," he told students.

A settlement was needed soon on democratic elections. Broederbond control needed to be wrested from the SABC and security forces.



# Failure to enforce fiscal discipline, complains ANC

LINDA ENSOR

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

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

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

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

ANC economist Tito Mboweni feared the Budget deficit would grow beyond Keys's estimates.

If Keys was serious about cutting government expenditure he would not have allocated R3,7bn for the special defence account when this could have been spent on social programmes, Mboweni said.

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

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

Furthermore, there was nothing on the revenue side of the Budget which would promote economic growth. The effective personal tax rate had been increased and the higher VAT rate and excise duties would contribute to the contraction of consumer spending. These measures would con-



tribute to a two percentage point rise in inflation.

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

Our political staff reports that opposition parties slammed Keys's Budget for further milking taxpayers while failing to curtail government expenditure. Government efforts to relieve unemployment were also criticised.

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

The DP said the Budget came as "a great disappointment" because government had placed the burden "almost entirely on the public's shoulders and has refused to curtail its expenditure".

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

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

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



# ANC says Budget thrust out of pace with politics

CAPE TOWN.

African National Congress (ANC) economic head of planning, Mr Trevor Manuel, criticised the Budget yesterday, saying its thrust was out of pace with political progress.

He said Finance Minister Derek Keys' budgetary theme of discipline and growth was inappropriate, and the government should rather have focused on reconciliation and reconstruction.

"The government is still a government elected under an apartheid constitution. Only a government of national unity will therefore be able to

pursue such a theme with credibility."

Mr Manuel lashed out at the government's "intransigence towards the impoverished and unemployed".

The increase in VAT and the fuel levy would stimulate inflation by about another two percentage points, which would have a negative impact on those who could least afford it.

Mr Manuel challenged Mr Keys to give the ANC the necessary tools to draw up a long-term de-

velopment programme which would quantify the costs in addressing socio-economic backlogs and inefficiencies.

"We challenge the Minister to supply us with all the relevant data that went into the construction of this Budget, and we will produce a costed development plan for social expenditure within three months of receipt of the data."

He said such a programme would inter alia deal with housing, electrification, agrarian reform

and job creation to improve the labour absorptive capacity of the economy.

These issues were not addressed in the Budget, and until they were, "violence would remain the order of the day".

Mr Manuel said the Budget had failed to achieve sound fiscal management, even though Mr Keys' disciplined reduction of the Budget deficit by two percent was commendable.

"This Budget is a clever play of figures which serves more to obscure and confuse than inform. Little value can be attached to the stated commitment to discipline and growth. This can only be achieved through sound fiscal management."

There were three instruments that could be used "to enhance fiscal management; firstly the establishment of clear objectives and effective audit trails in order to enable a professional, independent performance audit to be undertaken".

"Secondly, the establishment of a representative fiscal commission to design a multi-layer reconstruction fiscal programme against which performance can be measured.

"And thirdly, Ministerial accountability and increased penalties for civil servants and government officials caught with their hands in the cookie jar," Mr Manuel said.

He said the ANC was committed to reducing the Budget deficit, particularly with regard to current state expenditure, but a deficit would be tolerated if it was made up largely of capital expenditure. — Sapa.



### Keys 'applies ANC policy'

FINANCE Minister Derek Keys had clearly been forced on President De Klerk by the African National Congress to carry out its policy, the Herstigte Nasionale Party charged yesterday.

Reacting to the 1993 Budget, HNP economics spokesman De Pieter van der Dussen said Whites would now pay R3 billion more for Black education and health services which were mostly 'trampled' (vertrap) by Blacks.

This redistribution was leading to the destruction of the Whites' economic position and was nothing more than theft, he claimed. — Sapa.

UNIVERSITY



# ZBC dumps word 'comrade'

HARARE. — The Zimbabwe Broadcasting Corporation (ZBC) has dumped the appellation "comrade" and has reverted to plain Mr, Mrs or Miss.

The Independent Daily Gazette quoted officials at the state-owned ZBC, once regarded as a hotbed of Marxist radicals of the ruling Zanu (PF) party, as saying the change was the result of a directive from

the organisation's board. Anyone insisting on being addressed as "comrade" could notify the corporation in writing, and their wishes would be complied with, the officials said.

The "comrade" tag was introduced in 1981 on the instructions of former Information Minister Nathaniel Sengenyane, now Foreign Minister, anxious to portray the socialist

image of the new government.

All the local government-controlled Press adopted the practice, but it was applied selectively, according to the race of the person being referred to. Blacks were universally referred to as "comrade", unless they specifically insisted against it, while whites were given the Mr, Mrs or Miss appellation — unless they

were members of the ruling party.

In late 1989, however, the Zanu (PF) party congress quickly dropped the word "marxist" from its manifesto, and since then the party's socialist rhetoric has fallen swiftly away, culminating last year with the abandonment of the Leadership

Code

Sapa



Dear Sir,  
YOUR reporter Ray Hartley has generally been supportive of the national peace accord and, while much of his comment in the article "Peace is someone else's time" (March 16) might be justified, his opening statement, and the ultimate accusation that the peace accord is "comatose", is unfair and could not be further from the truth.

The national peace accord and the thousands of people involved in its implementation have made a major contribution, and undoubtedly achieved a great deal in keeping the lid on violence in SA.

It should not be forgotten that the peace accord structures have been functioning effectively for less than 15 months and what has been accomplished in that time has been out-

standing.

Generally, the media does not publicise the successes, and while one cannot deny the alarm of socio-economic violence, it must be borne in mind that political violence forms approximately 10% of the socio-economic violence in SA. The peace accord structures never anticipated the massive demands that would be made by drought, unemployment, urbanisation and the rising rate of urban crime.

All those involved in the national peace accord should receive encouragement and not, as implied in Hartley's article, accusations of inef-

fectiveness.

At regional and local levels, tremendous work is being done by vast teams of unsung heroes who have committed themselves to the peace accord and processes.

At national level, the network among the political players which has been established has allowed for instant, behind-the-scenes communication on countless occasions, which has significantly lowered and often

## LETTERS

# Peace accord is alive and functioning

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dissipated existing tensions.

It needs also to be noted that, contrary to Hartley's statement, a simplified, one-page tabloid version of the peace accord has been available for the past year in more than 12 languages.

JC HALL  
Chairman

National peace committee



## Pik wants Clinton to 'forget the past'

WASHINGTON — Foreign Minister Pik Botha will ask the Clinton administration to "forget the past" when he meets Secretary of State Warren Christopher and other senior officials here this week.

President Bill Clinton's "closeness" to ANC president Nelson Mandela was based on apartheid, the Minister said. He hoped that would now change and the administration would judge SA's parties "on the merits of their policies".

Interviewed on CNN, Botha said he would seek US economic assistance, including stepped up grants

SIMON BANNER

for education, training and "social upliftment", as well as political support to "ensure the maintenance of democracy".

The prospect for the negotiations due to resume in early April were "very good", he said.

Botha again denied that his government was lending any support to Unita in Angola. However, both sides were "recruiting mercenaries" in SA.

Earlier in New York, Botha said the UN had to move quickly on peacekeepers in Mozambique to avoid the country turning

into another Angola, reports Sapa-Reuter.

Botha, who spoke to Secretary-General Boutros Boutros-Ghali before his scheduled trip to Washington today, told reporters: "We must avoid allowing Mozambique to turn into another Angola."

Botha's comments came after Mozambican National Assembly Speaker Marcelino dos Santos, in Maputo, called on the UN Security Council to punish SA and other African countries for what he termed their continued support for Mozambique's Renamo. Zimbabwe's Ziara news agency reported.



## Goldstone appeals for information

ADRIAN HADLAND

PRETORIA — The Goldstone commission appealed yesterday for further information of the possible role of Umkhonto we Sizwe (MK), as well as private security firms, in violence and intimidation in SA.

The appeal follows an announcement earlier in the week that the commission would begin a full inquiry into incidents of violence and obstructing justice involving the KwaZulu Police.

Until all public and private armies had been investigated, the public would not be satisfied of their innocence, Judge Richard Goldstone said.

The commission has already completed a probe into the activities of the PAC military wing Apla, and is still involved in the government investigation into SADF intelligence functions.

Details and submissions were still needed on groups with a capacity for violence — including the right-wing SA Republican Army, MK and private security firms.

"If any person wishes to furnish relevant factual information anonymously, or if any person or witness requires protection for any period of time, they should contact the commission, the statement said.

Goldstone said the preliminary inquiry into Apla activities was complete and a report would be issued soon.

Allegations that members of the SAP and KwaZulu Police were involved in incidents of public violence or intimidation were being looked into, and the commission had been given full access to the activities and intelligence functions of the SADF, the statement said.

"Public violence and intimidation in SA will not be effectively curbed until all SA public and private security forces and armies have been investigated," it added.

In the current inquiry into attacks on police officers, the commission heard yesterday that no politically motivated attacks had been carried out by ANC members on the SAP in the western Cape since 1990.

Western Cape SAP member L. Cornelius Matthee agreed with ANC legal representative Azhar Cachalia that not a single confirmed incident had been reported. Only one person with "vague Umkhonto we Sizwe connections" had been implicated in violence against police and he had also attacked ANC members, Cachalia said.

Warrant-Officer Andreas Steenlamp agreed under cross-examination that no confirmed information existed by which any recognised executive member of the ANC in the western Cape could be accused of instigating members to attack the police.

The investigation continues.



## ANC and Inkatha to march in same area

POLITICAL tolerance in East Rand townships will be seriously tested on Sunday when the ANC and Inkatha hold marches and rallies in Vosloorus and Katlehong on the same day.

ANC PWV spokesman Ronnie Mamoepa said yesterday a groundbreaking decision to have a joint ANC and Inkatha "marshalling structure" at both rallies had been taken to lessen the chance of violence at the rallies.

Inkatha leader Mangosuthu Buthelezi would address Inkatha supporters in Vosloorus, while ANC secretary-general Cyril Ramaphosa had been asked to address an ANC rally in Katlehong, he said.

Mamoepa said the PWV regional dispute resolution committee had decided on joint monitoring mechanisms which involved police and independent monitors, and it had been agreed that the routes for the marches to the rallies would be identified beforehand and strictly adhered to.

The ANC rally would launch the organisation's election campaign in the region and it was therefore even more important that a tone of peace and political tolerance be generated, he said.

He said ANC supporters would begin door-to-door campaigning immediately after Sunday's rally and would also canvass the area in which the Inkatha rally was being held.

"We are in touch with the regional dispute resolution committee and the national peace secretariat, we are making approaches to the Commissioner of Police to minimise confronta-

RAY HARTLEY

tion on Sunday.

"This is the litmus test of political tolerance. Maybe the tone set over the weekend in Natal (where ANC and Inkatha leaders issued reconciliatory statements) will come to the East Rand," he said.

ILLOYD COUTTS reports that the DP will venture into Soweto this weekend following successful forays into the northern suburbs in pursuit of the hearts and minds of Johannesburg's domestic servants.

MP for Yeoville Douglas Gibson will address the Soweto branch of the DP at the Funda Centre on Saturday on "the DP plan to save SA".

Observers from the UN and the greater Soweto dispute resolution committee will attend the meeting.

DP city councillor Jack Bloom said recent threats from civic organisations to prevent "white" parties from holding meetings in the townships would not deter his party.

"At the end of the day it's a question of political tolerance. If we can't have ordinary meetings, what are we coming to? As far as democracy is concerned, it's not just our right to have a meeting that is at issue, it's free political expression for everyone."

Bloom said disruptions of DP meetings in Guguletu near Cape Town had attracted many new members to the party.

Saturday's meeting will be chaired by Soweto chairman Andile Mzaidume, and will start at 2pm.



## New York state set to push investment in SA

WASHINGTON — New York state is talking to the ANC about ways to stimulate investment in SA once a multiracial government is in place, an aide to Governor Mario Cuomo said.

The final draft of a co-operation agreement to be signed by Cuomo and a new SA government would be ready soon, the executive director of Cuomo's advisory council on black affairs, Charles Moses, said.

"I hope we will take the lead. New York is uniquely equipped to carry out this mission."

Moses had been working on the text with ANC representatives and with the office of New York city mayor David Dinkins.

The agreement would extend New York's International Partnership Programme to SA. Countries currently participating included Poland, Lithuania, Ireland and Japan.

Benefits outlined in a draft now circulating include internships for SA blacks in New York's public health department, scholarships to state universities and technical colleges. The

SIMON HARBEN

state might also establish a trade mission in SA, and would be on the record favouring investment.

Areas in which assistance would be offered included small business development, trade and investment promotion, education, science, public health, medical care and agriculture.

"When we get this thing signed, you're going to see a lot of exciting things happen," Moses said.

He said he had begun discussing the idea with Cuomo in 1991 as an alternative to sanctions legislation which the state assembly had refused to enact.

Moses said the date of signature, January 18 1993, had nothing to do with ANC president Nelson Mandela's presence in the US for President Bill Clinton's inauguration.

He said it would be up to Mandela and the ANC to decide whether it could be signed by the transitional executive expected to take power this year, or to wait for an interim government.