

# Govt 'cannot abdicate to temporary regime'

THE South African government was adamant it could not accept abdication to a temporary regime before an alternative constitution had been negotiated. Constitutional Development Minister Femi Viljoen said at a South Africa Britain Trade Association function in Johannesburg yesterday.

"South Africa is a sovereign independent state with a legally valid institution."

"Any change in the present constitutional structure can only be legally and validly promulgated by the existing legislative authorities."

Against this viewpoint was the insistence of the African National Congress and others on constituent assembly

elected in a one-man-one-vote election.

"This, we believe, would put the cart before the horse by starting off with a simple unqualified majoritarian system which is actually the goal or desired outcome that several negotiators would seek to achieve by the negotiations."

At a time in South African history when reconciliation and compromise was needed, an election would have a highly confrontational effect.

"Even without an election in the offing we already experience intolerable levels of violence amongst supporters of parties competing for a dominant share in the anticipated new power structure."

The government re-

jected a constituent assembly because it reduced negotiation to a level of meaninglessness.

The National Peace Accord signed on September 14 in Johannesburg, besides being the first step towards peace in the country, had opened the way to a multi-party conference.

The conference should consist of leaders of all political parties and organisations.

"It should not be difficult by way of exploratory discussions beforehand to arrive at a preliminary informal understanding among the more obvious prospective participants about important practical questions affecting the calling of such a conference," said Mr Viljoen. — Sapa.

## Kriel confirms secret funding

LAW and Order Minister Hernus Kriel yesterday admitted police covertly funded a labour relations bureau headed by a prominent Rand Afrikaans University academic.

Kriel said the former Security Branch began its involvement in 1988 and ended it in July 1991 "with the exception of still to be finalised individual contractual obligations".

The Liaison Bureau for Labour Relations Services cc, headed by Prof Kobus Slabbert, was exposed in the latest issue of the Financial Mail.

Kriel said details of the activities of the bureau had been submitted to the Advice Committee on Special Secret Projects announced by President F W de Klerk after disclosures of secret government funding of Inkatha earlier this year.

"The former Security Branch attempted through the Liaison Bureau for Labour Relations Services cc to counter labour unrest and promote sound labour relations," he said.

"It must be borne in mind that during 1988 widespread labour unrest occurred which led to disruption and substantial economic losses. Intimidation was rife and relations between workers and employers steadily deteriorated."

"The SA Police are of the opinion that the activities of the bureau made a valuable contribution towards improving relations between employers

PATRICK BULGER

and workers."

Meanwhile, associates of Prof Slabbert moved yesterday to dissociate themselves from him.

Labour relations consultant Anton Bruwer, a director of one of Slabbert's companies — Liaison Human Resources Management Services — yesterday resigned.

"I resigned as director of the company immediately upon becoming aware of the allegations and formally distance myself from the company and its alleged connections."

A former director, Absa group banking executive Petrus Claassen, said he was not aware Slabbert was running a company on behalf of the security police.

"I feel used. I did not have the slightest idea there was a police connection," Claassen said.

The report in the Financial Mail said Slabbert set up his labour consultancy with the help of the Security Police to "depoliticise" labour relations. He was in regular contact with Maj Derrick Botha and received up to R50 000 a month to sponsor the bureau's activities.

Slabbert was not available for comment yesterday and police would not respond to requests for comment.

The FM reported that the bureau was "similar to those which gave financial underpinning to Inkatha rallies and Uvusa".

## SA 'a bread basket for subcontinent'

GERALD REILLY

PRETORIA — SA was fast becoming the bread basket of southern Africa as grain crop production in neighbouring countries continued to decline, agricultural authorities said yesterday.

They said the region would depend increasingly on SA for grain supplies to feed fast-growing populations as well as for technical expertise in growing crops.

Sources said officials from SA's Agriculture Department were already advising some southern African countries unable to pay for imports on crop production.

SA has a maize surplus this year of more than a million tons and this has stimulated demand in the region.

It was reported this week that Zambia intended mortgaging its 1992 copper production to buy 2.5-million bags of maize from SA and that Zimbabwe was in the market for 100 000 tons of white maize.

MICHAEL HARTNACK reports from Harare that farming sources there say Zimbabwe has made inquiries about the SA Maize Board's offer of 80 000 tons for sale by tender.

Zimbabwean farmers have doubled their deliveries to the parastatal grain marketing board since a recent announcement of increased payments, but a shortfall in stocks is feared next month before the 1991-92 harvest begins to enter the stores.

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## Development bodies to discuss strategy

THEO RAYWANA

THE Kagiso Trust, the Independent Development Trust (IDT) and the Development Bank of Southern Africa (DBSA) will meet towards the end of next month to discuss how they will work together on development programmes in black townships.

This was said in Johannesburg yesterday by Kagiso Trust national director Ahmed Dangor, who had just returned from Brussels where the three organisations met EC officials

Upliftment of townships over the next few years is seen as crucial if stability is to be achieved in a post-apartheid democracy.

Available to the development agencies are the IDT's R2bn from government, the Kagiso Trust's EC funding which amounted to \$40m this year, and further funding which the IDT and the DBSA hope to raise in the

## Ontario drops Deutsche Bank over SA link

TORONTO — Deutsche Bank will be barred from participating in future Ontario government bond issues because of its participation in SA financings.

This has been confirmed by the Ontario Treasury and Economics Ministry.

The bank was lead underwriter for C\$1bn of Ontario bonds this year.

The Ontario government has a policy against doing business with SA or companies which deal with the country, and

last week Deutsche Bank was lead underwriter in a DM400m issue of SA bonds.

Deutsche Bank spokesman Helmut Hartmann said SA had made "a lot of progress" with its social and economic programmes.

"We thought we were doing the right thing and the market supported us," he said.

He declined to comment on the loss of Ontario's business. — AP-DJ.



WORLD CAMPAIGN

PO Box 2 Lindenberg Gaard  
N-1007 Oslo 10 Norway  
Tel. (47-2) 30 13 45  
Telex: 72314 AAM N

FAX: Reports  
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