Daily News Correspondent

JOHANNESBURG: A note passed to Dr Connie Mulder, then Minister of Information, . by the then

Prime Minister, Mr

Vorster, during a par-,

liamentary .debate on the Citizen, has. be-

come the new . centre information-

of the

seandal: $\hat{a}\200\231$ 7y Dr Mulder told of the

note in a statement to the

" Sunday newspaper Rap-

port. e

!He said the note was during .a
â\200\230parliamentary debate in May 1978 when opposition MPs, notably Mr Japie Basson - (PFP), were demanding whether the

Citizen or other publica-tions were secretly funded

by the Government. Mr Vorster, Dr Mulder

said, then sent him the

note. It said: $\hat{a}\200\234I$ think you must answer the question as follows: The Depart- $\hat{a}\200\230$ ment of Information owns no newspaper in South Africa - and runs, no $\hat{a}\200\230$ newspaper in South Africa. $\hat{a}\200\235$

Dr Mulder said in his statement: \hat{a} 200\234From this note I deduced that I was cer-

tainly not bound to reveal the project. $\hat{a}\200\235$

He answered the question using the words in the note.

However, Mr Basson replied that the question had not béen answered $\hat{a} \geq 00 \geq 30$ and again asked whether secret Government funds were made available to the Citizen.

Dr Mulder replied: $\hat{a}\200\234I$ have already answered. $\hat{a}\200\235$ But Mr Basson continued to press for an answer to the question.

Dr Mulder then replied: $\hat{a}\200\234I$ will directly answer by saying the Department of Information did not give funds to the Citizen. $\hat{a}\200\235$

In his statement, Dr

Mulder said he had to -

make a decision on the spur of the moment.

 $\hat{a}\200\234$ The clash of duties that arose here was between an oath of secrecy which I had made as a Cabinet

Minister on the one side

 \hat{a} \200\230and the. convention and "tradition of Parliament not

to mislead the House on

 $-\hat{a}$ \200\230the other., \hat{A}°

 $\hat{a}\200\234$ Within a few seconds I

" had to choose hetween the. ~two duties. It was almost

an impossible choice, espe- \hat{A} «cially: seen in the light of the fact that except from the then ' Prime Minister and Miâ\200\230qâ\200\231istet'; Horwood, the

 $a\200\234$ members of the Cabinet

did not know -of our invol-

vement at that stage. $\hat{a}\200\235$ Dr Mulder said the

Governments desire - - to

have an English-language

. paper $a\200\230a\200\234$ ran like a golden thread $200\235$ since its establish-

 $\hat{a}\200\230\text{ment}$ $\hat{a}\200\230\text{of}$ To the Point magazine was "established

_ with funds from the Prime

Ministerâ\200\231s budget, he said. Later the Prime Minister gave R2-million to the Department of Informationâ\200\231s secret < funds to enable it to continue with the magazine.

The. next attempt to obtain an English language organ occurred when Dr Mulder said he was called to Mr Vorster's office and found Dr Koornhof, then Minister of Sport, there.

Dr Koornhof said the Natal Mercury was for sale.

Dr Mulder said Dr Koornhof had testified to the Erasmus Commission that the proposed purchase of the Mercury had nothing to do with the State, but was a private undertaking

Dr Mulder asked why Dr Koornhof discussed . this with him and the Prime Minister if it were $\hat{a}\200\230a$ private undertaking.

He then told of a braai on August 9, 1973, when the new Boss offices in Pretoria were opened

This was when Mr van Zyl Alberts suggested buying shares in the Saan group so as to control it.

The original desire to have an English-language paper ran ike a golden: thread from the creation of To the Point via the Mercury project, the Saan project and crystallised

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eventually with the Citizen

Dr Mulder said.

He confirmed the claim by Dr Eschel Rhoodie, former Secretary for Information, that a *â\200\234Committee of Threeâ\200\235 considered. secret projects. This committee consisted of Mr Vorster, Dr Mulder and Dr Diederichs and

later his successor as Minister of Finance, Senator Horwood.

Senator Horwood knew of some secret projects, but he (Dr Mulder) and Dr Rhoodie refused to reveal projects to Treasury officials.

Dr Mulder also said the Committee of Three, consisting of Mr Vorster, Dr Mulder and Dr Diederichs, decided to make 10-million dollars available in an attempt to put the â\200\230Washington Star in the hands of people = less negatively disposed to South Africa.

MULDER REFUSAL DUE TO FEAR OF

CROSS-EXAMINATION, SAYS ERASMUS

JOHANNESBURG: ~ Mr

Justice Rudolph Erasmus, chairman of the Erasmus Commission, said yesterday that Dr Connie

Mulder had refused to.

testify to the Commission because he was afraid of being placed under crossexamination.

'The judge was one of the men mentioned in weekend statements by Dr Mulder; former Minister of Information, who rejected Dr Mulderâ\200\231s latest claims.

Another v.as Mr Gerald

Barrie, former Secretary for Information and former auditor-general, who denied Dr Mulderâ\200\231s claim' he helped decide that the State should found the magazine To The Point.

Mr Justice Erasmus said last week that Dr Mulder was told he could have access to the documents he sought provided he took the oath first.

Dr Mulder denied he was told this. If heh ad been, his position would have been entirely different. » '

Hitting back at Dr Mulder, the judge said Dr

Mulder knew exactly what

Daily News Coxâ\200\231responident

 $\hat{a}\200\230$ the procedure was as he $\hat{a}\200\234$ had testified twice before

to the:Commisison and the matter had been explained to him again when he appeared before the Commission last week, prior to refusing to testify.

Mr Justice Erasmus said that as the Commission sat inn camera, witnesses first had | to take the oath before â\200\234 being previous evidence. This was to ensure they did not divulge the contents of such evidence.

 $\hat{a}\200\234$ We then put all the facts given by previous witnesses, including documents that he may wish to see, $\hat{a}\200\235$ the judge said. Dr Mulder could have asked for an adjournment { examine the documents.

In addition, documents not previously used as testimony were made available to Dr Mulder. $\hat{a}\200\234$ He did not want to give evidence .ecause he did not want to be cross-examined, $\hat{a}\200\235$ the chairman of the Commission said.

He asked why Dr Mulder went to the Press

shown -

with further claims that a three-man . cabinetâ\200\231 committee approved secret

 \hat{a} \200\230projects.

The. judge

forward to tostify on this

to the: Commission -after °

the - Commission invited

anyone to give evidence on -

cabinet participation before publishing its interim report.

The

judge said a

decision on whether Dr

Mulder would be charged under the Commissions Act for failing to give evidence would be made this week.

Dr Mulder also stated at the weekend that the news magazine To The - Point was initally financed from the budget of the former Prime Minister, Mr Vorster.

He said the decision for the State to finance the magazine was taken by himself, Mr Vorster, Dr Diederichs (then Minister of Finance), General van den Bergh (then head of the Bureau for State Security) and Mr Barrie (then Secretary for Infor-

said Dr \hat{A}° Mulder should have come \hat{A}°

mation)

 $\hat{a}\200\230Mr$ Barrie, who retired recently as auditor-general,

denied he was part of any such group. â\200\234I had no power, as Secretary for Information, to give any approval . for any project not financed by the Department of Infor-

 $a\200\230$ mation, $a\200\235$ Mr Barrie said.

He pointed out that Dr Mulder said this was

* financed from the Prime

Min@stetâ\200\231s vote.

Mr Barrie also issued a lengthy statement rejecting an accusation by Senator Warwick Webber of the New Republic Party that Mr Barrie had shown contempt for Parliament in handing his secret report on the Department of TInformation to Mr Vorster and Dr Mulder rather than to Parliament.

He said it would have been irresponsible as he did not have proof beyond reasonable doubt on unauthorised spending and falsification.

The Official Secrets Act and the Bureau for State Security Act also precluded him from auditing secret projects, said Mr Barrie.