

THE FRONT PAGE

Making headlines this morning, SA's economy stopped haemorrhaging jobs in the final quarter of last year, but the unemployment rate is virtually unchanged and job creation has not picked up much; Siyathemba wants President Jacob Zuma to "zip up his pants" and attend to their frustrations; and a fire at an orphanage near Newcastle, KwaZulu-Natal has claimed the lives of 11 people, eight of them children.

NEWS REVIEWS

THE DAY IN SHORT

In the news today: Menzi Simelane's CV - President Jacob Zuma's only point of reference in appointing him as national director of public prosecutions (NDPP) - was "shoddy" and revealed his "inexperience", the Democratic Alliance said yesterday. Minister of State Security Siyabonga Cwele has filed an application in a late bid to prevent retired spy boss Barry Gilder from testifying in the corruption trial of Jackie Selebi. A fire broke out at an orphanage near Newcastle, KwaZulu-Natal, claiming the lives of 11 people, eight of them children. Siyathemba township in Balfour was again burning yesterday, in the second day of violence in the area. Nelson Mandela will not be taking part in commemorations at Western Cape jail tomorrow to mark the 20th anniversary of his release, says the ANC.

NEWS REVIEWS

POLITICAL NEWS

Cosatu voices its concerns over NPC

The Congress of South African Trade Unions (Cosatu) yesterday forwarded a pro-labour list of its preferred candidates to serve on the National Planning Commission (NPC), but took issue with the fact that the appointment of commissioners did not involve Parliament. The federation also accepted "with reservation" that the controversial commission, headed by Minister in the Presidency Trevor Manuel, was an "external body" made up of experts drawn from outside the Cabinet.

BUSINESS DAY (National)

DA urges Zuma to provide leadership

Official opposition, the Democratic Alliance (DA), said that after failing to provide strong and effective leadership in office, President Jacob Zuma should use tomorrow's State of the Nation address to turn this situation around in key areas such as job creation. In his wishlist for tomorrow night's speech, DA Parliamentary leader Athol Trollip identified key areas which he said needed concrete solutions and targets against which the Zuma administration could be held accountable - job creation, education, service delivery and wasteful expenditure.

BUSINESS DAY (National)

DA slams govt employees conduct

The Democratic Alliance (DA) in KwaZulu-Natal has lambasted the conduct of some government employees following the auditor-general's report that tender contracts to the value of R35 million have been awarded to civil servants. John Steenhuisen, DA Caucus Leader in the KZN Legislature, said that the auditor-general found that government contracts have benefited moonlighting civil servants. "The time has come for public servants to choose between being businesspeople and civil servants," said Steenhuisen.

WITNESS

DA takes swipe at Simelane's CV

Menzi Simelane's CV - President Jacob Zuma's only point of reference in appointing him as national director of public prosecutions (NDPP) - was "shoddy" and revealed his "inexperience", the Democratic Alliance said yesterday. "The slipshod in which Mr Simelane prepared his CV reflects negatively on his conscientiousness," DA Chairperson James Selfe said in reply in an affidavit to Zuma's submission on his appointment of Simelane to head the National Prosecuting Authority (NPA). Selfe added that if Zuma had enquired about Simelane's previous performance, he would have discovered that the Justice Department received a qualified audit from the auditor-general in each of the four years he was the NDPP's director-general. The latest shot to be fired at Simelane by the DA is that he cannot spell.

STAR; CITIZEN (Second Edition); BUSINESS DAY (National)

PAC youth want President chaperoned

The Pan Africanist Congress Youth League (PACyL) wants a committee to accompany President Jacob Zuma on house visits "because we have realised that he cannot control himself and we do not want to hear other apologies". The PACyL yesterday rejected Zuma's apology for his infidelity as "unwelcome" and "dangerous".

CITIZEN (Second Edition)

SAFETY & SECURITY NEWS

Vuvuzela not for war, minister assures

Foreign football fans can rest assured that the vuvuzela is not an instrument of war, Minister of Police Nathi Mthethwa said yesterday. He told a media briefing at Cape Town International Airport that, in the run-up to the World Cup, the police have been taking tips from overseas security agencies on cultural issues. "It's our noise, it's part of us, it's an expression of appreciation. It's an instrument of jubilation. So if somebody does not understand that, they may be a problem. Our response (to overseas fans) is that no, you don't have to worry, it's not horns for war, it's just horns of jubilation."

STAR

Visser has not shown remorse, says State

There was no absolute certainty that Cezanne Visser, known as "Advocate Barbie", would not commit another sex crime without further rehabilitation, forensic criminologist Eon Sonnekus told the High Court in Pretoria yesterday. Cross-examined by State prosecutor Andre Fourie, Sonnekus maintained that the only punishment Visser should be given was a suspended sentence or three years of correctional supervision under house arrest. This could include 60 hours a week for work, 10 hours on weekend to shop and attend church, and two hours of community service at the local zoo. But Fourie did not believe Visser had shown remorse. "She lied. She has not accepted responsibility," he told the court.

STAR

Reservists are volunteers and cannot force their way

Analysts say that police reservists are volunteers who serve their communities and cannot try to force their way into being employed as permanent members. Johan Burger, a former police commissioner and now a researcher for the Institute for Security Studies, found it strange that reservists were protesting against their not being appointed permanently into the police. Burger suggested that reservists who thought they should be full-time members should go through the motion of applying. Democratic Alliance MP Diane Kohler Barnard, who sits on Parliament's safety and security portfolio committee, said the state should make it extremely clear to people that they would not be paid to be reservists. Reservists are people who give of their time for the satisfaction of helping our communities.

CAPE TIMES

New allegations against tainted advocate surface

Top advocate Seth Nthai's name has featured in further allegations of impropriety involving an alleged conflict of interest and "substantial" retainers from a mining giant. Nthai is currently also under investigation for apparently soliciting a massive bribe in an unrelated case, and although he has denied this charge, he has stopped work as an advocate while under investigation. Nthai, a former Limpopo MEC who handled a number of cases for the state, was instructed by attorney Bhadrish Daya to represent the Sekuruwe community in Mapela, Limpopo, in its dealing with mining giant Anglo Platinum. Nthai and Daya have now been accused by lawyer Richard Spoor, on behalf of some members of this community, of taking thousands of rands from the mine to dispossess the community of vast tracts of ancestral land while claiming to represent the community.

STAR

Late bid to stop Selebi testimony

Minister of State Security Siyabonga Cwele has filed an application to prevent retired spy boss Barry Gilder from testifying in the corruption trial of Jackie Selebi. The papers were filed at the Constitutional Court yesterday, missing by a day a deadline set by Judge Meyer Joffe, who is presiding over the former police chief's case. Selebi's prosecutors are due to reply on Friday, after which the Constitutional Court will decide whether to hear the application. The department told the highest court in the land that it was unconstitutional for a former intelligence official to be asked to testify in Selebi's trial without the minister being informed.

STAR; THE TIMES

LABOUR & UNION NEWS**Negotiations at Grain Bargaining Council continue**

Negotiations between trade unions and companies in the Grain Bargaining Council resumed yesterday after the first round of negotiations kicked off on a low note with most of the employers offering a 3% increase while Obaro, the trading name of MGK Operating Company, made no offer. According to Jaco Kleynhans, spokesperson of Solidarity, it appears that this year's negotiations are going to be tough. In particular, the inability of Obaro (MGK) to make an offer was disappointing. "The company is pleading poverty, but has begun purchasing several Afgri retail branches, including existing stock, at a huge cost of as much as R110 million," Kleynhans said. The MGK Group made profit of R10.6 million in the last financial year.

NEWS REVIEWS

Solidarity making good progress with Mondi

The packaging-paper company Mondi Packaging has begun a restructuring process at the company's Felixton mill outside Empangeni, the trade union Solidarity said yesterday. The process is expected to affect 43 of the company's permanent and fixed-term employees. According to Solidarity spokesperson Jaco Kleynhans, the company and trade unions involved have already had two consultations in an effort to minimise the effect of the restructuring on the employees. "The company indicated from the start already that the planned restructuring is not due to financial reasons but was rather aimed at implementing improved processes in order to increase productivity and be more cost efficient," Kleynhans explained. In the Section 189 notice issued to Solidarity, the company claims that the operations had to be carefully reconsidered, especially because of the rising cost of electricity.

NEWS REVIEWS

Satawu demands Transnet changes

The South African Transport and Allied Workers' Union (Satawu) wrote a letter yesterday to Chris Wells, the acting Group Chief Executive of Transnet, demanding the disciplinary process against Siyabonga Gama, the suspended chief executive at Transnet Freight Rail, be suspended. Three senior managers and auditors Ernst & Young should also be suspended and probed, it said, noting this was non-negotiable.

BUSINESS REPORT (National)

NEWS BRIEF**Archbishop Desmond Tutu to get own heritage site**

A heritage project honouring Archbishop Desmond Tutu is to be launched near his birthplace in Klerksdorp, in the North West. The R57 million rand project is aimed at improving tourism in the area by building on Tutu fame. Former Matlosana municipal mayor China Dodovu, who was in charge when the initiative began says: "The Archbishop Tutu village was initiated by the Klerksdorp Matlosana Anglican Diocese Church together with the City Council of Matlosana, where we donated a piece of land where Bishop Tutu was born, with a view of building an institution in honour and respect of the contribution that Bishop Tutu made. But we did so because Bishop Tutu was born in that particular vicinity."

5fm News @ 09:00

A fire at an orphanage claims 11 lives

Yesterday, around 06:00, a fire broke out at an orphanage near Newcastle, KwaZulu-Natal, claiming the lives of 11 people, eight of them children. One of them was just three weeks old. The elderly owner of the orphanage Sarah Holland also died in the fire, but only after helping to rescue nine people from the blaze. A local police officer, who was first on scene, said that bodies of the children were burnt beyond recognition. KwaZulu-Natal police spokesperson Director Phindile Radebe said fire investigators from Pretoria were expected to comb the scene to determine the cause of the blaze. An arson case had been opened as a matter of course.

STAR; MERCURY, THE TIMES; CITIZEN (Second Edition); BUSINESS DAY (National)

City streets will be closed when Parliament opens

Several Cape Town streets will be closed to traffic this week during rehearsals for the opening of Parliament as well as the real event tomorrow evening. The City Council has asked motorists to use alternative routes to minimise disruption in traffic. Parliament will be opened officially at 19:00 tomorrow.

CAPE ARGUS (City Late)

Madiba won't visit former prison on anniversary

Nelson Mandela will not be taking part in commemorations at his former Western Cape jail tomorrow to mark the 20th anniversary of his release from prison, says the African National Congress (ANC). The party yesterday clarified the anniversary programme following confusion about the participation of the 91-year-old anti-apartheid icon. "The only activity that Madiba will attend is the State of the Nation address," the ruling party said. The event by the prison will now be headlined by Winnie Madikizela-Mandela.

STAR, CITIZEN (Second Edition); THE TIMES

More examiners for licence centres

Gauteng planned to increase capacity at licensing centres by employing additional examiners, the Provincial Transport Department said yesterday. Gauteng Roads and Transport MEC Bheki Nkosi said yesterday the department would also ask the municipalities to allow for longer booking schedules to decrease the backlog in testing for driving licenses. He was responding in a statement by Gauteng Chief Magistrate Daniel Thulare that motorists could drive without licences as long as they could prove their learners' licence had expired while waiting for a date to be tested for a driving licence.

BUSINESS DAY (National); STAR; CITIZEN (Second Edition)

SADC region's attractive market catches Seacom's attention

Undersea cable operator Seacom plans to expand into the rest of southern Africa and is preparing to sign up half a dozen new clients. The \$600 million (R4.6 billion) Seacom cable was launched in July last year and was jailed by the market as the answer to lowering high speed internet access prices. Suveer Ramdhani, a Seacom adviser and telecoms practice lead at FeverTree Consulting, said yesterday that the region was an attractive market. It was natural for Seacom to service those markets given their proximity to South Africa, and its existing partner, Neotel, already had some infrastructures in some of those countries.

BUSINESS REPORT (National)

HEALTH NEWS**'Supplements threaten insurance'**

The use of sporting drugs and supplements could have significant consequences for the insurance industry. On Monday, Professor Tim Noakes of the University of Cape Town, told the International Committee for Insurance Medicine congress that heart problems and drug dependency are among the major health risks for sportspeople using drugs and other supplements. Insufficient data have been compiled on the extent of the risk for the life insurance industry, but the ingestion of such agents is increasing dramatically, with consequent raised implications for insurers. According to Noakes, the big difference between supplements and sports drugs is that the former are legal but unregulated, while the market for the latter is estimated to be much larger than that for so-called recreational drugs - which include substances like cocaine and heroin.

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Medical waste rots on hospital floor

A payment dispute between Charlotte Maxeke Johannesburg Academic Hospital and a waste removal company has left the basement of the hospital filling up with dangerous bio-medical waste. The company, Phambili Wasteman, stopped removing waste two weeks ago, claiming the hospital has failed to make payments. But Charlotte Maxeke CEO Dr Barney Selebano disagrees. Selebano said the hospital had paid the company about R1.3 million in December and another R500 000 last month.

The Citizen reports that plans are in place to remove the waste. According to the newspaper management at the hospital say they have spoken to the waste removal company who "indicated they can work through the night to clear the waste".

STAR

Frustration over closure of operating theatres

Patients at the King Edward VIII Hospital are frustrated with the closure of six of the hospital's operating theatres. The deadline for routine maintenance at a block which houses theatres has been extended resulting in a delay in elective surgeries. The maintenance was aimed to address the hospital's failing air-conditioning system, which could lead to infection control problems. KwaZulu-Natal Health Department spokesperson, Chris Maxon, has conceded that there was a patient backlog due to problems with the air conditioners.

DAILY NEWS (Deadline)

Patients upset over waiting period

More than 50 patients are up in arms after being made to wait for long hours in queues in the heat to see doctors at Northdale Hospital on Monday. The patients reportedly blockaded an entrance to the casualty section, however the hospital has refuted any knowledge of the incidents. KwaZulu-Natal Health Department spokesperson Chris Maxon said that KZN Health MEC Sibongiseni Dhlomo has addressed the issue at the hospital.

WITNESS

PROVINCIAL NEWS

Unclaimed bodies buried

In an attempt to resolve overcrowding problems at the Magwaza Maphalala Street mortuary in Durban, more than 200 unclaimed bodies have been buried. KwaZulu-Natal Premier Zweli Mkhize, KZN Health MEC Sibongiseni Dhlomo and other KZN Cabinet members made an unannounced visit to the mortuary yesterday to check on the progress made in disposing of unclaimed bodies, which had caused overcrowding and hygiene concerns. Dhlomo said that a task team established last week to address the capacity problem had facilitated the burial of 212 unclaimed bodies in paupers' graves.

MERCURY

Problems on city's buses discussed

Problems such as bus drivers collecting money for tickets but failing to issue them, and drivers mistreating child passengers on Durban's buses were discussed at yesterday's meeting of the eThekweni council's executive committee. A progress report on the City's bus service revealed that only 15 new Mynah buses were operating, and that 40 more were needed to provide a full service. eThekweni Municipal Manager Michael Sutcliffe said that a smart ticket process - in which people would purchase tickets like they did cellphone airtime - would eventually be introduced, and that he would take up the other issues with bus operator Transnat.

MERCURY

City of Cape Town has removed the shark alert

The City of Cape Town has removed the shark alert issued between Noordhoek and Muizenberg. The alert followed an attack on Zimbabwean tourist 12 January. The removal of the alert was the outcome of close monitoring by shark spotters over the past five days. Gert Bam, the city's director of sport, recreation and amenities said that the alert was no longer warranted.

CAPE TIMES

Problems with fleet management

It emerged at yesterday's community services committee meeting that fleet management is dragging its feet when it comes to the acquisition of vehicles. New England Road landfill site workers and waste management employees also held a protest over the poor state of their fleet. Msunduzi Deputy Municipal Manager Zwe Hulane said that R15 million was set aside this year for the acquisition of vehicles. African National Congress (ANC) Councillor Les Naidoo said that repeated problems have been experienced with fleet management and the time has come to hold a meeting with the relevant chairpersons so that these issues can be resolved.

WITNESS

Plan treated with urgency

A plan to construct a fire station in the rural area of Vulindlela is being treated with urgency. According to a report tabled for discussion during yesterday's community services and social equity committee meeting, funds have been set aside for the construction and discussions about the tender process have started. In the report, Fire and Rescue Services Manager Billy Paton said that the unit is concerned about the absence of fire stations in the eastern suburbs, the industrial area of the City, and the Vulindlela area.

WITNESS

Tourism initiative in Theewaterskloof municipality

A bold initiative has been launched ahead of the World Cup to unlock the tourism potential of the rolling hills, farmlands and unspoilt beauty of Cape Town's back garden. The areas of Theewaterskloof (TWK) municipality, Genadendal, Villiersdorp, Riviersonderend, Caledon, Greyton and Elgin Valley will form part of the Local Development Initiative which will forge the countryside into a tourism destination. The Development Bank of South Africa has invested millions into this initiative.

CAPE ARGUS (City Late)

City-wide roll-out of the IRT is the next step

The City-wide roll-out of the Integrated Rapid Transit (IRT) system is Cape Town's next big step after the World Cup. This is according to Cape Town Partnership Chief Executive Andrew Boraine. Addressing members of the Cape Town Press Club, Boraine said that IRT was not just another transport initiative but a transformation legacy project.

CAPE ARGUS (City Late)

eThekweni Municipality needs millions

The eThekweni Municipality needs about R284 million from the Human Settlements Department to repair council houses constructed before and after the 1994 elections. Yesterday, the council's executive committee approved a recommendation to apply for grant funding from the department for work to be finished in Chatsworth and other former R293 areas (council homes built before 1994). City Treasurer Krish Kumar said that it was important for the recommendation to be approved by the committee, so that City could approach the department for funding.

MERCURY

DA calls for task team

The Democratic Alliance (DA) has called for a multi-party task team to be formed to inspect and review the quality of houses built by the eThekweni Municipality to address the problem of sub-standard housing. Referring to the recent housing scandal in Umlazi involving Zikhulise Cleaning, Maintenance and Transport company, Democratic Alliance (DA) Caucus Leader Tex Collins said that the team was crucial if the City wanted to address the problem. Collins in his address at the eThekweni council's executive committee yesterday, outlined the situation in Molweni, where thousands of houses were severely damaged or destroyed in a storm last year.

MERCURY

'Whole township is on fire'

Angry youth burned down the library in Siyathemba township in Balfour yesterday, in the second day of violence in the area. Siyathembe residents demand that Balfour Mayor Lefty Tsotsetsi and the entire Dipaleseng municipality council quit. They also demanded that President Jacob Zuma return to deal with poor service delivery, that the township be incorporated into Gauteng and that they be given jobs at a nearby mine. Residents came out in droves, destroyed street lights and chanted struggle songs.

THE TIMES; STAR; CITIZEN (Second Edition); BUSINESS DAY (National)

Firefighters still battling to contain Cape blaze

Racing fires on the Garden Route and in the Boland, and elsewhere around Cape Town, kept firefighters busy yesterday. The Franschoek blaze started on Friday and was caused by a worker who was clearing alien vegetation in the Berg River Dam catchment area, according to Danie Wilds, of the Cape Wineland district municipality. "The fire is burning above three farms but there is no immediate threat to property," Wilds said. "More than 6 300ha of fynbos have burned." More than 150 firefighters were on the scene.

THE TIMES

EDUCATION NEWS

DUT vice-chancellor resigns

Durban University of Technology (DUT) Vice-Chancellor Roy du Pre has resigned. While there was speculation that his departure was prompted by poor relations with staff and students, Du Pre and the DUT council was adamant that he was leaving to follow personal interests. Nqabomzi Gawe, the Deputy Vice-Chancellor: Institutional Support, will serve as Vice-Chancellor from next month until a new principal is appointed.

MERCURY

Matric Enrichment Programme in the Western Cape

An intensive tuition programme for matric pupils has achieved excellent results with some participants improving their subject marks by as much as 50 percent. About 80 of last year's matric pupils from 11 Western Cape schools participated in the Matric Enrichment Programme (MEP), a partnership between the Western Cape Education Department (WCED) and the non-profit organisation Education Alive.

CAPE ARGUS (City Late)

Did your child read, write and practice maths today?

A six-week campaign to boost numeracy and literacy figures for primary school pupils in the Western Cape has been launched. The Western Cape Education Department's main message for the campaign would be: "Did your child read, write and practice maths today?" and will run until the end of the month. Education MEC Donald Grant said that the objectives of the campaign are to encourage parents to take active interest in their children's education.

CAPE TIMES

GOVERNMENT BRIEF

President Zuma welcomes ambassadors

President Jacob Zuma has called on all African leaders to come to South Africa during the FIFA Soccer World Cup in June. Zuma made his call in Tuinhuis in Parliament while welcoming seven new ambassadors. Ambassadors Ali Yousif Ahmed of Sudan, Rodrigo Guillermo of Republic of Panama, were among diplomats welcomed by the President. Zuma said he was confident that their stay in the country will strengthen political and economic relations between the different nations. The President said Africa's prosperity and development was dependent on support of other countries. According to the President, South Africa has the second highest number of ambassadors, after the United States of America.

SAAfm NEWS EXTRA @ 12

Third coal-fired plant still a possibility for SA

South Africa's commitment to reducing carbon emissions by 34% from a normal business path by 2020 did not rule out building another coal-fired power station, Water and Environmental Affairs Minister Buyelwa Sonjica said last week. The pledge "accounts for the fact of building three coal power stations", Sonjica said after signing a bilateral agreement on climate change with Australia. SA could not be "abrupt" about withdrawing coal from its energy sources, she said. "We're not ready in terms of policies and programmes to the extent we should be for renewable energy." Sonjica's comments are the first indication from the government about the implications of the commitment for SA's electricity-generation build programme. The SA pledge was first made in the run-up to climate talks in Copenhagen in December, and was formalised at the end of January when SA submitted a written pledge.

BUSINESS REPORT (Star)

No end to Zim's political bickering

President Jacob Zuma's envoys have failed to break impasse between Zimbabwe's bickering politicians, putting his planned visit to Harare later this week in jeopardy. Zuma was tentatively scheduled to visit the capital on Saturday - the first anniversary of Zimbabwe's unity government.

THE TIMES

WC Department of Agriculture helps drought relief

The Western Cape Department of Agriculture has allocated R26.9 million in drought relief aid to the Eden District Municipality for farmers in need to purchase feed for their cattle, sheep and goats. Aid, comprising vouchers will entitle farmers to buy feed at registered co-operatives.

CAPE TIMES

ANC campaign in the WC suffers a setback

The African National Congress's (ANC's) campaign to woo Western Cape voters has suffered a serious setback when President Jacob Zuma cancelled his visit to Gugulethu, leaving scores of party volunteers upset and disappointed. The party had hoped to capitalise on this week's celebrations to mark the 20th anniversary of Nelson Mandela's release from prison. ANC volunteers in Gugulethu only learned an hour before Zuma was due to be there that he was not coming.

CAPE ARGUS (City Late)

BUSINESS BRIEF

In Business news today, Transnet said yesterday that it had launched a \$2 billion global medium-term note programme on the London Stock Exchange. This paved the way for the transport parastatal to issue bonds in US or European capital markets when conditions were favourable. A cut in cellphone interconnection fees next month could go ahead as planned, after operators yesterday said they had submitted a revised version of a proposal rejected last month by Icasa. Shareholders' agreements may be under threat from the new Companies Act, which will extend substantial rights to minority shareholders, an expert in company law warned yesterday. A new regulatory framework to help directors and public companies reach high standards of corporate governance and ethical conduct will be mandatory by next year.

NEWS REVIEWS

Companies Act protects small shareholders

Shareholders' agreements may be under threat from the new Companies Act, which will extend substantial rights to minority shareholders, an expert in company law warned yesterday. If a company gives notice of a new scheme or arrangement, proposes a merger or amalgamation, or wants to sell the majority of its assets, dissenting minority shareholders could force it to buy back their shares at fair value, said Wouter Scholtz, a Director at audit, tax and advisory firm Mazars, Moores Rowland. The new Companies Act, which is due to come into effect on or after 1 April, provides considerable protection to minorities. The new law has been prompted by a growing incidence of assets and entire businesses being sold from under the minority shareholders' noses.

BUSINESS DAY (National), Companies & Markets; BUSINESS DAY (National)

Companies use longer notice periods

The ongoing shortage of executive and specialist talent has forced a number of companies to get tough and incorporate extended notice periods into their employment contracts as a way of managing staff tenure and transitions when top people resign. So says Madge Gibson, a partner at Jack Hammer Executive Headhunters, who says that organisations are increasingly making three-month notice periods standard policy for specialists and executives, in an effort to safeguard their businesses. She adds that there are two main reasons behind long notice periods; one, to be used as a deterrent against competitors looking to poach key staff; and two, to protect their own interests by buying themselves valuable time should they need to replace critical personnel.

NEWS REVIEWS

Sappi, Mondi push on with restructure

Paper and packaging groups Sappi and Mondi are both continuing with restructuring moves within their southern African operations, but while Mondi's restructuring at its Empangeni mill is moving slowly, Sappi is meeting fierce resistance from unions in Swaziland over its Usutu mill closure. Globally, pulp and paper companies have been cutting costs and streamlining operations to respond to weak market demand and overcapacity in the industry. At Mondi's Felixton mill, near Empangeni, the process was "positive", Solidarity spokesperson Jaco Kleynhans said yesterday. Mondi has cited improved productivity and cost efficiency as their reasons for the restructure, and are in negotiations with employees and unions. Sappi, however, is facing two court actions from local union Swaziland Agricultural and Plantation Workers Union (Sapwu).

BUSINESS DAY (National), Companies & Markets; BUSINESS DAY (National)

Transnet simplifies its foreign bond issues

Transnet said yesterday that it had launched a \$2 billion global medium-term note programme on the London Stock Exchange. This paved the way for the transport parastatal to issue bonds in US or European capital markets when conditions were favourable. Transnet said it planned roadshows in key financial centres in the US and the UK to assess investors' appetite for a possible debut issue. "With the (global medium-term note programme) in place, Transnet does not have to go through the cumbersome process associated with preparing the legal documentation required for listing a bond each and every time it wishes to raise debt funding," it said. The global bond issue would complement its R30 billion domestic medium-term note programme and help diversify its funding sources.

BUSINESS DAY (National), Companies & Markets; BUSINESS REPORT (National); TIMES, THE Business Times

Ethics committees to be mandatory for businesses

A new regulatory framework to help directors and public companies reach high standards of corporate governance and ethical conduct will be mandatory by next year. The corporate scandals of the 1990's, financial collapses and misreporting in international markets led to increased regulation by governments and international bodies. Recently released draft regulations for the new Companies Act provide a new set of standards for public companies and state-owned entities to monitor compliance. Public companies will be required to appoint a social and ethics committee. Its main function "will be to monitor the company's compliance with legislation; particularly in relation to equality, empowerment, corruption, health, public safety and consumer and labour relations," said Shafeeka Hartley of commercial law firm Deneys Reitz yesterday.

BUSINESS DAY (National), Companies & Markets

Delay in upswing for retail centres

Prospects for the retail sector, and by implication also shopping centres, are likely to remain subdued in the first half of this year because consumers remain under financial pressure. However, the South African Council of Shopping Centres (SACSC) said yesterday a gradual return to positive real retail sales was expected by the middle of this year. These were two of the key findings of an economic overview for this year compiled by Ecoquant for SACSC, which have implications for the financial performance of the listed property sector, the owners of a large percentage of shopping centres nationwide.

BUSINESS REPORT (National)

New plan for interconnect fee cuts sent to Icasa

A cut in cellphone interconnection fees next month could go ahead as planned, after operators yesterday said they had submitted a revised version of a proposal rejected last month by the Independent Communications Authority of South Africa (Icasa). Icasa turned down the original agreement, which would have seen peak charges fall to 89c per minute from R1.25 on 1 March, because it would have obliged it not to make further changes to the interconnection regime until March 2013. The new proposal promises the same initial cut, but references to a fixed three-year, gradual reduction, or "glide path", have been removed. Off-peak interconnection rates at 77c. Vodacom Cell C and MTN - SA's three biggest cellphone operators - had submitted copies of the agreement to Icasa by yesterday evening.

BUSINESS DAY (National); TIMES, THE Business Times; CITIZEN (Second Edition)

Early February maize exports up

South Africa white maize exports rose to 14 055 tons last week from 11 556 tons the week before, the South African Grain Information Service reported yesterday. Exports of yellow maize fell to 2 190 tons last week from 2 985 tons the previous, week, the organisation said.

BUSINESS DAY (National)

BANKING BRIEF

In Banking news this morning, Absa will sell its entire shareholding in Pinnacle Point Properties for R150 million to the Trilinear Empowerment trust, Pinnacle said yesterday; and Nedbank Group, which is being sued by investors in property company Acc-Ross Holdings, did not do "anything wrong" when it hedged positions in that company's stock to avoid losses, the Registrar of Banks, Errol Kruger, said yesterday. Looking at the economy, South Africa's economy stopped haemorrhaging jobs in the final quarter of last year, but the unemployment rate is virtually unchanged and job creation has not picked up very much, official data showed yesterday; and government won't realistically be able to count on much more additional revenue in next week's budget, which means there will be immense pressure to cut spending to meet the deficit targets set out in the mini-budget, according to economists.

NEWS REVIEWS

'Dramatic' halt to job losses as recovery kicks in

South Africa's economy stopped haemorrhaging jobs in the final quarter of last year, but the unemployment rate is virtually unchanged and job creation has not picked up very much, official data showed yesterday. The official jobless rate dipped to 24.3% from 24.5% in the third quarter, bringing the total number of jobs shed last year to 870 000 - not quite as bad as anticipated losses of 1-million. However, the Statistics SA data showed unemployment was not recovering, despite the economy having emerged from recession.

BUSINESS DAY (National) ; BUSINESS REPORT (Star)

Gordhan's deficit albatross

Government won't realistically be able to count on much more additional revenue in next week's budget, which means there will be immense pressure to cut spending to meet the deficit targets set out in the mini-budget, some economists said this week. Finance Minister Pravin Gordhan said in October the deficit would be cut from 7.6% of gross domestic product (GDP) in the current fiscal year to 6.2% in the next, 5% in the year after that and 4.2% of GDP in 2012/2013. The deficit is important, as it is a measure of net government borrowing and an indicator of how much of government's future revenues will have to go towards servicing debt. Though SA's deficit is much lower than, for instance, Greece's horror 12.7% of GDP this fiscal year, it has to be borne in mind that the country's whole public sector borrowing requirement isn't far off that of Greece.

FIN24.CO.ZA - FINWEEK

Talk of hiking interest rates is 'ludicrous'

With conflicting speculation about the direction interest rates are likely to take - with some arguing they are likely to be cut amid indications that they might actually be hiked - many economists tend to think they are likely to remain on hold. Luke Doig, senior economist at Credit Guarantee Insurance Corporation, said that talks of hiking interest rates at this stage is ludicrous. "Indeed, murmurings are that the inflation target band may well be widened somewhat to accommodate the debilitating electricity price increases".

BUSINESS DAY (National)

R5.6 billion bid for bank bonds

South Africa received bids worth almost six times the R1 billion of three-year bonds offered at an auction yesterday amid speculation that the Reserve Bank might cut the interest rate. Investors bid for R5.6 billion of the 7.5% bonds due January 2014, the central bank said on its website. "There's still a lot of speculation that we might see another rate cut," said Victor Mphaphuli, a portfolio manager at Stanlib Asset Management. "That's boosting the demand for securities offering a higher rate at the short end of the yield curve".

BUSINESS REPORT (Star)

Pinnacle not a case for registrar

Nedbank Group, which is being sued by investors in property company Acc-Ross Holdings, did not do "anything wrong" when it hedged positions in that company's stock to avoid losses, the Registrar of Banks, Errol Kruger, said yesterday. He was not in a position to comment on allegations by investors that Nedbank had contravened securities regulations by accumulating a majority stake in Acc-Ross without informing other shareholders. "Let the law take its course," said Kruger. He added that the dispute was between two parties who had a disagreement, "They need to sort it out".

BUSINESS DAY (National), Companies & Markets ; BUSINESS REPORT (Star) ; CITIZEN, Citi Business

Absa to exit Pinnacle Point at huge loss

Absa will sell its entire shareholding in Pinnacle Point Properties for R150 million to the Trilinear Empowerment trust, Pinnacle said yesterday. Pinnacle said on Monday Absa had agreed to sell its entire 39% stake in Pinnacle to Trilinear for R150 million. In January last year Absa acquires 28% in Pinnacle for R931.4 million after clients defaulted on futures contracts. Absa will pay R95 million upfront and the balance will be settled in two later tranches. As a result of the deal, Trilinear would increase its shareholding in Pinnacle to about 48.4%. Absa had undertaken to implement the agreement by Monday.

BUSINESS REPORT (Star)

Battle over Gauteng land

The dispute between the Johannesburg municipality and the Gauteng Development Tribunal as to who has the authority to regulate and control land use will proceed in the Constitutional Court this month. Although authority over land use usually lies with municipalities, the Development Tribunal can also make decisions in terms of the Development Facilitation Act - and it in fact does. The tribunal has often approved property developers' applications for development rights. However, on 22 September last year the Court of Appeal found Chapters V and VI of the Development Facilitation Act, which deal with land development usage, unconstitutional. Because of this ruling the municipality does not recognise decisions made by the Development Tribunal.

FIN24.CO.ZA - FINWEEK

SPORTING HIGHLIGHTS

South Africa produced a clinical performance to complete a stunning innings and six run victory over India within four days in the first Test in Nagpur yesterday. The win places the Proteas in the perfect position to regain their spot at the top of the ICC Test rankings heading into the second Test, which gets under way in Kolkata on Sunday. A series win for the Proteas will be enough for them to go top again following the disappointing drawn series against England last month. The result of that series allowed India to overtake South Africa and go No 1, which made for an enthralling two-Test series currently under way. The Proteas' win was secured through a great all-around performance. The batsman did their bit, the bowling was excellent and fielding solid. Indeed this was a performance of the best team in the world: a comprehensive victory, in tough conditions, against the No 1 team.

News Reviews

Ludeke names strong team for opener

Bulls coach Frans Ludeke has named a strong team, featuring 10 of the players who started in last year's Currie Cup final, for Friday's Super 14 opener against the Cheetahs in Bloemfontein. The five players missing are Bryan Habana (transfer), Bakkies Botha, Akona Ndungane, Dewald Potgieter (all injured) and Derick Kuun (on the bench). Utility back Francois Hougaard was included after passing a late fitness test, while hooker Gary Botha will make his first start for the Bulls since 2007. Botha has returned to the Bulls after a two-year spell with English club Harlequins.

THE TIMES

Proteas take first Test by an innings

South Africa inflicted a first home defeat on India in almost two years when they won the first Test in Nagpur by an innings and six runs yesterday. The tourists claimed victory after dismissing the hosts for 319 in their second innings, with Dale Steyn returning a match haul of 10-108. The win has placed the Proteas in a strong position to claim back the No 1 spot in the Test cricket rankings from India heading into the second and final Test starting in Kolkata on Sunday.

CITIZEN (Second Edition), Sport

SuperSport pull six points clear

SuperSport United pulled six points clear at the top of the Absa Premiership with a 2-1 victory over Santos in Cape Town last night.

CITIZEN (Second Edition), Sport

Liverpool out to extend good run against Arsenal

Liverpool will be aiming to extend their good run of from when they take on a struggling Arsenal in an English Premier League match tonight. The Reds, whose season was labelled "in crisis" a few weeks ago, have taken 17 points from a possible 21 in their last seven league matches. Arsenal, meanwhile, lie third in the standings, one place above Liverpool, but are coming off consecutive defeats to Manchester United and Chelsea. In other matches, Manchester United take on Aston Villa and Chelsea travel to Everton.

BUSINESS DAY (National), Sports Day

INDICATORS

Rand - Dollar \$	7.6827	(+0.0123)
Rand - Sterling £	12.0219	(-0.0046)
Rand - Euro €	10.5729	(-0.0531)
JSE Allshare	26455.1	(+413.14)
Gold	1071.2	(+7.25)
Platinum	1496.0	(+19.00)
Brent Crude Oil	71.1	(+1.02)

The figures quoted are from the close of business yesterday, along with any movement, either up or down, from the previous day.

WEATHER

Bloemfontein	18	(29)
Cape Town	19	(23)
Durban	22	(33)
East London	22	(30)
Johannesburg	15	(28)
Kimberley	18	(29)
Mafikeng	17	(28)
Nelspruit	19	(29)
Pietermaritzburg	20	(38)
Polokwane	15	(28)
Port Elizabeth	20	(25)
Pretoria	17	(29)