



# **Numsa Media Monitor**

**Tuesday 5 July 2016**

**A daily compilation of local, national and international articles dealing with labour related issues**

## **Numsa**

### **South African workers**

#### **Trade sector leads SA's jobs bloodbath**

*Siyabonga Mkhwanazi and Wiseman Khuzwayo, Business Report, 5 July 2016*

Johannesburg - The bloodbath in the South African economy continued as it shed 15 000 jobs in the first quarter of this year.

Statistician-general Pali Lehohla told the media yesterday that the jobs were lost in the non-agricultural sector.

Survey details confirmed that net employment levels in the private sector decreased, with only the government adding a significant number of jobs (44 000).

Lehohla said the jobs lost in the formal sector of employment was 0.2 percent. This was a drop in formal employment to 9.2 million people.

Suffered

He said trade suffered most of the job losses in the first quarter, recording a decline of 1.8 percent, followed by transport at 1.1 percent and mining declining by 0.9 percent.

The decline in trade was driven by low numbers in employment in retail trade, hotels and restaurants.

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In manufacturing, the decline was 0.7 percent and in business services it was recorded at 0.4 percent.

Lehohla said the sectors not affected by the declining numbers were community services, construction and electricity.

In trade, the 1.8 percent decline was mainly due to the drop in the number of people employed in retail trade, hotels and restaurants.

In manufacturing, the 0.7 percent decline was a drop in jobs in basic metals, fabricated metal products, machinery and equipment.

In the transport, storage and communication industry there was a drop of 1.1 percent.

Lehohla said this was mainly due to the decline in employment in land transport and transport via pipelines.

However, mining and quarrying suffered a decrease of 0.9 percent in the first quarter.

Lehohla said this was the sixth consecutive quarter mining had shed jobs following the decline of 17 000 jobs in the fourth quarter.

Lehohla said since June 2013 to March this year mining had lost a total of 60 000 jobs.

Kamilla Kaplan, an economist at Investec, said lacklustre rates of growth in both the global economy and world trade volumes, low commodity prices and the drought had amplified the effects of domestic structural constraints, to weaken activity on the production side of the economy.

She said depressed consumer confidence, muted credit growth and higher interest rates and living costs dampened activity on the consumption side of the economy.

“Employment prospects are unlikely to improve meaningfully in the coming quarters, with the economy forecast to produce barely positive growth, at best, in 2016,” she said. “In addition, recent survey evidence drawn from the retail and manufacturing confidence surveys, signals further expected declines in the number of individuals employed.”

Lacklustre

Hanns Spangenberg, an analyst at NKC African Economics, said similar to the Quarterly Employment Survey (QES) that was released in May, the latest data had an updated sample size that made historical comparison difficult.

Spangenberg said the latest QES, nevertheless, provided further evidence of the country's lacklustre economic conditions.

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“The overall decrease in employment levels in (the first quarter of this year) is consistent with the 1.2 percent, quarter-on-quarter seasonally adjusted annualised contraction in (gross domestic product in) the same quarter.

“Activity in the industrial sector declined while the trade sector experienced a significant slowdown in growth,” Spangenberg said.

The SA Reserve Bank had revised growth projections from 0.9 percent to 0.6 percent this year.

The World Bank and the International Monetary Fund have also projected less than 1 percent growth rate.

The National Treasury’s growth projections for this year have remained in a similar range.

The release of the employment figures by Statistics SA comes a month after ratings agencies gave South Africa a reprieve from a downgrade to junk status.

Finance Minister Pravin Gordhan has called on all the stakeholders to work together to grow the economy and create more jobs.

A total of 90 chief executives from top companies in the country have been working with Gordhan to re-ignite growth in the economy.

They have set up work streams and identified key areas, including small business enterprises, to jump-start growth.

The team reported recently that there was movement, but the results would only be seen in the next few months.

<http://www.iol.co.za/business/news/trade-sector-leads-sas-jobs-bloodbath-2041695>

### **Surprise as state jobs shrink**

*Ntsakisi Maswanganyi, Business Day, 5 July 2016*

THE formal economy shed 15,000 jobs in the first quarter of 2016 including a surprise drop in permanent employees in provincial and local government, Statistics SA’s (Stats SA) quarterly employment statistics survey (QES) showed on Monday.

While the drop in private sector jobs was expected, the fall in government jobs bucks a long established trend that has seen a steadily rising number of public sector employees.

Although one quarter’s data is not enough to point to a trend, the drop in provincial and local government employment may suggest that departments are heeding Finance Minister Pravin Gordhan’s call to cut the size of the public sector in order to slash the wage bill.

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The government's wage bill, which has grown exponentially since 2008, now consumes 40% of all spending.

Getting the wage bill under control is central to the fiscal consolidation being led by the Treasury. It is one of the areas of concern raised by rating agencies, two of which have SA on a negative watch.

The formal sector shed 15,000 jobs to 9.27-million, mainly due to losses in trade, business services, mining and manufacturing.

Sectors "bleeding jobs" was consistent with the deep economic contraction recorded in the first quarter, statistician-general Pali Lehohla said.

Provincial governments lost 11,000 jobs, while local government jobs were down by 3,000. National government jobs were up by 5,000.

The number of temporary jobs in government grew, as the Electoral Commission of SA (IEC) employed 50,000 more people in preparation for the local government elections in August, the QES showed.

The majority of the jobs created by the IEC are temporary and usually fall away when elections are over.

Gordhan told the Financial Times at the weekend that government was close to announcing a series of reforms to the labour market.

He also told the newspaper that government would deliver on promises made to the ratings agencies to stabilise the economy and make structural reforms including in the highly regulated labour market, to improve the country's growth potential.

SA's labour laws have often been identified by employers as being too stringent and one of the reasons the country has not been able to create jobs.

The latest jobs numbers not only affirmed sluggish economic growth, but also the negative effect labour laws were having on the ability of companies to create jobs or take on additional workers, ETM Analytics economist Jana van Deventer said.

Commenting on Gordhan's comments, Van Deventer said: "While the guidance offered by the minister on possible labour reforms might be helpful, these labour reforms will have to be quite significant to bring about meaningful change in the labour market and enable companies to have the ability to bolster job growth."

Employment fell in five of the eight industries surveyed by the QES.

Jobs were created in construction, transport, and community services industries.

The 36,000 jobs lost in trade were not surprising as temporary employment created by the sector in the fourth quarter of the year for the festive season is normally shed in the first quarter.

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Mining and manufacturing shed 12,000 jobs and have been under pressure from rising operating costs, faltering demand and still-low commodity prices, resulting in huge job losses.

Mining lost jobs for the sixth consecutive quarter in the first quarter of 2016. Employment in the sector has been declining gradually, from 511,000 in the second quarter of 2013 to 455,000 in the first quarter of 2016.

Gross earnings were down in seven of the eight industries surveyed and were in line with the recorded job losses.

Earnings were R22bn lower at R523bn.

Gross earnings paid to employees in the community, social and personal services industry, which is mainly made up of public-sector jobs, declined due to "the decreases in gross earnings of local government; health and social work; extra budgetary institutions; provincial departments; and other educational institutions," Stats SA said.

<http://www.bdlive.co.za/economy/2016/07/05/surprise-as-state-jobs-shrink>

### **Unemployment stats worry Fedusa**

*ANA Reporter, African News Agency, 4 July 2016*

Cape Town - The Federation of Unions of South Africa (Fedusa) on Monday said it was distressed by news that the South African economy lost 15 000 jobs in the formal sector in the first quarter of 2016 compared to the last three months of 2015.

Reacting to the Quarterly Employment Statistics (QES), released by Statistics South Africa (StatsSA) on Monday, Fedusa general secretary Dennis George said the latest figures which show job losses in all sectors except community services, construction, and electricity, was disappointing given the amount of work government's social partners had put into growing the economy.

"The South African economy is clearly still not recovering from the onslaught of financial, global and self-inflicted political thrashings, whilst the mayhem activated by the recent British exit from the EU continues to hamstring economic growth and progress," said George.

Many of the jobs lost were in the retail trade, hotels and restaurant industries.

"This presents a grave challenge to the affected industries, where FEDUSA membership enjoys a large percentage of the representation," said George.

George said while Fedusa supports government's nine-point plan to spur economic growth and create jobs, the federation said a more proactive stance was needed to stimulate job creation and improve the growth rate of the economy.

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<http://www.iol.co.za/business/news/unemployment-stats-worry-fedusa-2041619>

## **Union issues Gautrain strike warning**

*Jabulile S. Ngwenya, African News Agency, 4 July 2016*

Johannesburg - The United National Transport Union (Untu) has warned a possible strike over wage hikes could disrupt Gautrain's services to passengers.

The union said the salary dispute with Bombela, the company that operates the Gautrain rail link, was now at the Commission for Conciliation, Mediation and Arbitration. Untu warned failure to resolve the matter on 11 July 2016 would result in strike action.

Untu general secretary Steve Harris on Monday said if the dispute between Bombela and Untu was not resolved "the lives of hundreds of thousands of passengers could be disrupted by a strike action."

Harris said the dispute related to the employees' unhappiness with a 3 percent wage increase during 2016/2017 salary negotiations. Untu demanded a 15 percent pay increase.

There was a deadlock in the negotiations, which the union said was also related to Bombela's arbitrary reversal of a policy regarding payment of overtime rates for operational staff.

Harris claimed that Bombela stopped paying overtime rates to employees in 2013, and as a result, had a salary backlog that was more than R20 million.

Harris said employees were struggling in the current financial climate and if Bombela continued to seek evasion of paying workers what was due to them, "the employees will have no choice but to go on strike in protest".

Officials from Bombela could not immediately be reached for comment.

<http://www.iol.co.za/news/south-africa/gauteng/union-issues-gautrain-strike-warning-2041599>

## **Gautrain security guards face retrenchment after a fare hike, unless they waive bonuses**

*Govan Whittles, Mail & Guardian, 5 July 2016*

But more than half the guards are standing firm, refusing to sign the waiver.

As Gauteng's flagship urban rail network, Gautrain, raised its fares this month, 67 security guards contracted to the rail agency's black economic empowerment partner face retrenchment – unless they wave a R1 500 performance bonus by July 16.

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Strategic Partners Group (SPG) employed 115 security guards in 2009 at a monthly salary of between R3 500 and R8 000, plus the R1 500 bonus every three months. The Bombela Operating Company, which runs the Gautrain, initially repaid the bonuses to SPG but reneged on this agreement nine months into the contract, according to the BEE partner.

This led the security guards to embark on a week-long unprotected strike. SPG executive chair Mzolisi Diliza told the Mail & Guardian that his company had agreed to continue paying the bonus despite the lack of funds to do so.

In January this year, when the initial contract expired, the workers were told they would no longer receive the R1 500 bonus.

“The new contract makes no provision for the payment or reimbursement of a quarterly incentive bonus. In light of this, and due to the company running at a loss, SPG approached its majority union Amcu [Association of Mineworkers and Construction Union] to negotiate the withdrawal of the payment,” Diliza said.

But, he said, Amcu did not respond to its request for consultation on the withdrawal of this payment and SPG consequently applied for the retrenchment of workers who refused to accept the new contract.

Of the 115 security guards, 48 have agreed to waive the quarterly bonus payment but the remaining 67 are standing firm.

One of the workers who accepted the waiver is Sizwe Dyonta, who has worked as a security guard at the rail network’s Bosman and Hatfield stations since April 2010. He’s a member of Amcu and accepted the waiver after the union failed to present to members how it planned to fight the retrenchments.

“They [SPG] were threatening us with many things, such as not paying our salaries at the end of May, so I accepted the waiver. What can I do? I had no choice because I need the job,” said Dyonta.

The 42-year-old guard rents a room for his wife and two children in Atteridgeville for R600 a month and said he gets paid about R4 000. The retrenchment notice placed his family at risk. “I support six people. My family and sometimes my two nieces. I can’t risk losing that money,” he said.

Following the implementation of the Gautrain fare increases on June 1, the shortest trip now costs an average of about R25 – up from R20 – while a single trip to OR Tambo International Airport has increased to R180 from R150.

The Bombela Operating Company did not respond to queries about why it decided to stop reimbursing SPG for the performance bonus.

*Govan Whittles is a news journalist at the Mail & Guardian.*

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<http://mg.co.za/article/2016-07-04-gautrain-security-guards-face-retrenchment-after-a-fare-hike-unless-they-waive-bonuses>

## **Gordhan jumping the gun on labour reforms - Cosatu**

*Sam Mkokeli and Amogelang Mbatha, Fin24, 4 July 2016*

Johannesburg – The Congress of South African Trade Unions (Cosatu) said Finance Minister Pravin Gordhan’s statements that the government is close to announcing reforms to labour legislation were premature.

Negotiations on the minimum wage are at a “delicate stage,” Cosatu president Sdumo Dlamini said by phone on Monday. Talks on other labour reforms, including pre-strike balloting, were “nowhere near closure,” he said.

Gordhan said in an interview with London’s Financial Times published on Sunday that the government is close to announcing a series of reforms to the labour market. These would be “on the minimum wage, on balloting before strikes, on compulsory arbitration, so that strikes don’t last forever,” he said.

With the economy having contracted 1.2% in the first quarter and local government elections looming in August, Gordhan has to work on economic reforms to appease credit-rating companies without alienating labour unions allied to the ANC.

S&P Global Ratings kept South Africa’s credit assessment at BBB-, one level above junk, on June 3, warning that it could cut the nation’s debt evaluation unless more is done to foster growth and combat political and labour instability.

Treasury spokesperson Phumza Macanda couldn’t immediately respond to questions by phone and e-mail on Monday.

‘State capture’

Ratings companies never speak in the interest of workers and contribute to delays in agreements on issues like a national minimum wage, Dlamini said in an interview at Bloomberg’s Johannesburg offices on June 30.

“What is that, if it’s not another form of state capture and keeping in a stranglehold the government?” Dlamini said. “Sometimes the role of the ratings agencies is also a challenge when they simply do not allow us to build our own country the way we see it in South Africa.”

S&P is due to announce its next rating assessment in December. Fitch Ratings also kept its evaluation of South Africa’s debt at one level above junk last month and Moody’s Investors Service left the nation at two levels above non-investment grade in May.

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The fact that South Africa avoided a downgrade to junk last month doesn't allow for any level of complacency and rating companies were very clear in their reports on the progress they need to see to keep the nation's debt on investment-grade level, SA Reserve Bank deputy governor Daniel Mminele said in an interview at Bloomberg's offices in Johannesburg on July 1.

"It's important to accept that ratings are used by international investors," he said. "We run twin deficits, a budget deficit and a current-account deficit, we depend on dipping into other people's savings, so they are very very important because they drive decisions in terms of investment flows as such, but I don't think one could say they capture countries."

<http://www.fin24.com/Economy/Labour/News/gordhan-jumping-the-gun-on-labour-reforms-cosatu-20160704>

### **Cosatu's call to 'balance pay with job security' applauded**

*SABC, 4 July 2016*

The Reward Association on Monday applauded the Congress of South African Trade Unions's (Cosatu) call to balance pay with job security.

The South African Reward Association (SARA) shapes the industry and professionals that determine how people are paid or rewarded for the work they do.

This comes after Cosatu said it would encourage its member unions to balance wage demands with the need to preserve jobs whesalary negotiations in their industries begin.

Unions affiliated to Cosatu would be heading to wage negotiations this year, including in the contested gold and platinum industry, as well as for civil servants such as teachers and health workers.

The mining sector alone has shed more than 35 000 jobs since 2012 as commodity prices have slid over the last few years, caused largely by declining demand from China.

In an interview with Bloomberg last week, Cosatu general-secretary Bheki Ntshalintshali said the federation did not want unions to negotiate increases that resulted in workers being retrenched and "only a few remain to enjoy the benefits of that particular increase".

Responding to reports that Cosatu would encourage its member unions to balance wage demands with job security, SARA exco member Mark Bussin said in a statement that this was a great step in the right direction.

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"Executives and management could match this statement by showing pay increase restraint for themselves and articulating concisely what was achieved to earn bonuses," Bussin said.

"We need to strengthen the link for the average person to believe in the concept of bonuses."

Protracted industrial action due to deadlock in wage negotiations is not uncommon in South Africa.

In January 2014, the Association of Mineworkers and Construction Union (Amcu) launched a five-month strike in Rustenburg's platinum mines in one of the longest strike in years, that affected Lonmin, Amplats, and Impala Platinum.

Earlier this year, Mineral Resources Minister Mosebenzi Zwane said protracted strikes destroyed the country's economy.

<http://www.sabc.co.za/news/a/7a4624804d5efbb9baa6fe4b5facb1b5/Cosatus-call-to-balance-pay-with-job-security-applauded--20160704>

## **South Africa**

### **ANCYL to SABC: Speed up journalist disciplinary process**

*Lizeka Tandwa, News24, 4 July 2016*

Johannesburg – The ANC Youth League (ANCYL) has called on the SABC to speed up its disciplinary processes against the six journalists it suspended.

"We equally call on the SABC to facilitate a quick process in dealing with the issue of the workers that are affected by issues of discipline. We want to request that SABC should not feel pressure in dealing with whoever is involved even if the person is an associate of the brother of the person who used to be Head of State," ANCYL national spokesperson Mlondi Mkhize in a statement on Monday.

He said those who have resigned from SABC management should stop using the broadcaster as a "means of seeking further employment".

"We want to call the quitters to stop complaining about decisions they were part of but could not win the debate inside structures of SABC but now decide to use other platforms to vent their inability to provide leadership.

"Those that have resigned must go relax at home. Keeping in line with what they do best, quitting, they must quit speaking about the SABC," he said.

### **More journalists charged**

The ANCYL said attacks on the public broadcaster and its leadership were nothing but "acts of cowardice".

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SABC Group chief executive officer Jimi Matthews resigned from the SABC, saying recent changes at the broadcaster were "wrong" and that he had compromised his values under the current leadership.

Matthews posted a picture of his resignation letter on Twitter on June 27, indicating his decision to leave following widespread changes under chief operating officer Hlaudi Motsoeneng.

On Friday morning, journalists from several media outlets picketed outside the SABC's offices in Durban, Johannesburg and Cape Town in support of three journalists who were served with suspension letters last week.

The three journalists had disagreed with an instruction during a diary conference not to cover the Right2Know campaign's protest against censorship at the public broadcaster earlier that week.

Another three were charged on Thursday for "liaising with the media". On Monday, News24 reported that SABC journalist Lukhanyo Calata had also been charged. The details of the charges against him were not made available.

<http://www.news24.com/SouthAfrica/News/ancyl-to-sabc-speed-up-journalist-disciplinary-process-20160704>

### **#Hlaudi at SABC 'is a threat to fair poll'**

*Luyolo Mkentane, The Star, 5 July 2016*

Johannesburg - The SABC must be rescued from Hlaudi Motsoeneng's clutches if South Africans are expected to make informed decisions during next month's municipal polls. So said a group of activists and civil-society leaders who descended on the broadcaster's headquarters in Auckland Park on Monday.

The group had come for a scheduled meeting with Motsoeneng, only to be refused entry. Motsoeneng, whose appointment to his post was ruled illegal by the public protector, has unleashed a reign of fear at the SABC, where he has told journalists they are free to leave if they don't support his restrictive editorial policies.

The SOS Coalition and other civil-society organisations had hoped to discuss the crisis dogging the corporation, particularly the censorship controversy that has engulfed the broadcaster, which has led to the suspension of senior journalists who challenged Motsoeneng.

But security officers manning the SABC gates said they had been given strict instructions by management not to allow them through.

Among those who had hoped to have a word with Motsoeneng was the SOS Coalition's Sekoetlane Phamodi; former Cosatu boss Zwelinzima Vavi; Right2Know's

Micah Reddy; and Karima Brown, group executive editor of Independent Media, owners of The Star.

Vavi said: “We are insisting that there can be no free and fair elections on August 3 if the airwaves are not freed from the clutches of Hlaudi Motsoeneng and the delinquent board that supports him.

“As long as there is this information load-shedding, there can be no free flow of information that can make South Africans make informed choices on August 3.

“It goes to the heart of what democracy and the public broadcaster is all about, and that’s why we are very angry and taken aback by this attempt to block us out.”

Brown said Motsoeneng’s presence at the SABC hindered the public broadcaster’s “ability to be an instrument that makes these elections free and fair”.

“The reason Mr Motsoeneng needs to go now is we must respect the court. We are a constitutional democracy. Mr Motsoeneng’s presence here, his instructions to journalists, his ability to tell them what to cover and what not to cover impedes the SABC’s ability to be an instrument that makes these elections free and fair.”

Motsoeneng’s appointment as chief operating officer was last year found to be irrational and unlawful, and was set aside by the Western Cape High Court.

The SABC’s and Motsoeneng’s application for leave to appeal were dismissed with costs.

Adding their voices to a growing chorus opposed to Motsoeneng’s “dictatorial” leadership on Monday were several former SABC board members, who wrote a joint letter to President Jacob Zuma, Communications Minister Faith Muthambi and SABC board chairman Professor Mbulaheni Maguvhe, expressing their “grave concerns” over the SABC’s “gross violation” of broadcasting principles.

The former SABC board members stressed in their letter that the broadcaster’s board should “immediately appoint a credible and independent task team to investigate the malaise at the corporation and allow all employees to give evidence without fear or victimisation”.

The governing ANC has also called on Muthambi to launch a probe into all the allegations levelled against Motsoeneng, who reportedly rules the corporation by decree.

When Jimi Matthews resigned as the SABC's acting group executive last week, ANC spokesman Zizi Kodwa lashed out at him, and described the veteran journalist as being used by forces wanting to undermine the SABC’s questionable integrity.

Yesterday, Vavi said the ANC’s call for a probe bordered on political posturing and characterised it as a “statement in the wilderness that has come too late”.

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“We think this is an attempt to deflect attention away from the fact that they endorsed censorship. We hope the investigation won’t fall by the wayside, like the investigation about state capture has,” Vavi added.

Brown called on the ruling party to clarify the probe’s time-frame, saying that if it didn’t happen before the municipal elections, then “it is not going to help us to give credibility to the local government elections”.

ANC deputy secretary-general Jessie Duarte said: “We believe that the SABC is a public good, it is a public broadcaster, it belongs to all the people of South Africa and we also believe very strongly that there should be no interference in how the SABC newsroom is run.”

<http://www.iol.co.za/news/politics/hlaudi-at-sabc-is-a-threat-to-fair-poll-2041701>

### **SABC: Battle lines drawn against Hlaudi’s ‘rule by diktat’**

*Greg Nicolson, Daily Maverick, 5 July 2016*

The SABC and Hlaudi Motsoeneng have faced repeated criticism and protests, but this year’s editorial policy changes, suspensions, and the resignation of acting CEO Jimi Matthews have led to an unprecedented outcry. As the COO’s supporters found their voice on Monday, the battle lines have been drawn.

After a delegation of media representatives, civil society and unionists held an inconclusive meeting with Hlaudi Motsoeneng on Friday, efforts to persuade the most powerful man at the SABC on Monday failed as a delegation was locked out of the SABC and a planned meeting with the COO was scrapped.

Always controversial, Motsoeneng has faced increased pressure this year after making a number of unexpected and sweeping changes to editorial policy, particularly the decision not to broadcast images of violent protest. Demonstrators outside SABC offices on Friday said the policy amounts to censorship, preventing voters from accessing information in an election year.

Three staff members have been suspended for arguing that the public broadcaster should have covered a recent non-violent protest by Right2Know outside its offices while another four face suspensions for questioning the editorial decisions and culture at the SABC.

“Hlaudi Motsoeneng has lied to us again. He didn’t bother to even turn up for a meeting he committed himself to, to address the current suspension of several SABC staff who are now facing disciplinary action on Friday,” said a statement from the Civil Society Action Group Against SABC Censorship, including the SOS Coalition, Right2Know Campaign, Broadcasting, Electronic Media and Allied Workers Union, Media Workers Association of South Africa, and Zwelinzima Vavi, representing the new federation of unions.

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On Friday, Motsoeneng reportedly said he didn't know why journalists had been suspended, but committed to meeting the group on Monday. "The SABC's refusal to lift the suspension of seven journalists is a direct threat to the ability of the public broadcaster to report freely and fairly on the upcoming local government elections which are just under a month away," said the coalition on Monday.

They claimed "censorship in the SABC, coupled with Motsoeneng's rule by diktat" violates the law, limits journalists' ability to report independently, and will prevent voters from accessing information needed to make an informed decision. "This fight is not over. We will be back here on Wednesday," they said. The Right2Know group on Monday held a planning meeting on how to confront issues at the SABC.

Motsoeneng is still appealing court rulings against his appointment as COO, but his changes to editorial policy face more immediate challenges. The Helen Suzman Foundation has filed an urgent court application against the SABC, its board, Motsoeneng, and Minister of Communications Faith Muthambi. The foundation wants urgent relief pending a final determination, including "suspending the implementation of the SABC's policy and practice not to cover violent and other protests, as well as relief preventing the SABC from adopting or implementing any censorship policy which would be contrary to the mandate of the public broadcaster".

The Independent Communications Authority of South Africa is set to rule this week on whether the policy on violence violates the Broadcasting Act, SABC editorial policies and the broadcaster's licence conditions.

Adding to the SABC's challenges, trade union Solidarity on Monday said it will apply for direct access to the Constitutional Court to challenge the suspension of journalists Thandeka Gqubule, Foeta Krige and Suna Venter, arguing that the suspensions concern South Africans ahead of the elections.

"We believe the case is of public interest. Therefore, it is imperative that we should obtain access to the Constitutional Court before the elections in order to ensure that the public has access to the necessary information to be able to make an informed choice," said union deputy general secretary Johan Kruger.

The SABC has said protesters don't represent South Africans and the public broadcaster should be allowed to continue its internal disciplinary actions without interference from those with agendas.

But the Congress of the People has also said it plans action against the SABC. After acting CEO Jimi Matthews resigned last week, apologising for decisions he took part in and describing a corrosive atmosphere at the SABC, he told eNCA on Sunday that when Julius Malema began to be a "nuisance" in the ANC Youth League and then formed the Economic Freedom Fighters, "the view expressed by the SABC was that it would not be a good idea to give Malema air time". Matthews admitted to taking the

decision but said “it was a decision bigger than Jimi Matthews” and said he should have fought against it.

“We now have evidence that the forthcoming elections will be neither free nor fair because of the skewed reporting and conspiratorial decisions of SABC editors against opposition parties,” said a statement from COPE on Monday. The party plans to approach the Public Protector, ICASA and the Broadcasting Complaints Commission requesting investigations into the SABC and ANC for abuse of power.

The EFF has protested against SABC’s coverage of the party and a Media Monitoring Africa study found SABC platforms provided significantly less coverage of the EFF than comparative outlets.

The rising criticism against the SABC also includes former executives from the broadcaster, with seven individuals writing to President Jacob Zuma to express their concern. “The news is censored. Editorial decisions are dictated from above. The public broadcaster that the SABC had become, with an editorial code that committed the corporation to fair, balanced and impartial journalism, free from outside influences, be they political or commercial, shows clear signs of reverting back into being a state broadcaster,” said the letter. It was signed by Brigalia Bam, Professor Njabulo S Ndebele, Joe Thloloe, Allister Sparks, Govin Reddy, Mathatha Tsedu, and Barney Mthombothi – all of whom have held top positions at the SABC.

But Motsoeneng has found support. In a briefing on Monday, actors and musicians backed Motsoeneng due to his decision to increase the amount of local music and TV programmes on SABC stations. They feared the campaign to remove him could reverse the quota increases and said critics were against transformation and boosting South Africa’s creative industries.

Jazz artist and South African Music Movement leader Don Laka, who lobbied for SABC radio stations to play 90% local music, said they will continue to fight for the “90/10” policy, which was announced in May. Actor and Creative and Cultural Industries Federation of South Africa president Tony Kgoroge said, “If those who own the value chain are standing against Hlaudi we have to stand up and face them face-to-face without no fear.

“Are we using violence as a form of entertainment to entertain our country or are we reporting fairly to what is happening whether good or bad?” Kgoroge asked, regarding the SABC policy on protests.

Defending Motsoeneng, other speakers blamed criticism on capitalism, white people, and the Democratic Alliance. The COO was called a “Moses of the music industry” targeted by “a devil’s alliance”. A “Friends of Hlaudi” leader promised mass action in support of Motsoeneng would begin on Wednesday and said the group would submit a memorandum at the DA’s Johannesburg offices later this month.

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In a statement, the ANC Youth League backed SABC management, saying Matthews should not speak about his time at the public broadcaster. The league suggested foreign interests were behind the current criticism.

“These attacks have seen, some in our country suggesting that there is something wrong at SABC or its leadership thus a need for a probe. In the view of the ANCYL these attacks are nothing but acts of cowardice,” said ANCYL spokesman Mloni Mkhize. “Those that have resign must go relax at home.”

The statement contradicted the latest stance from ANC spokesman Zizi Kodwa. Last week Kodwa was critical of those protesting at the SABC but he has since called on the SABC board to investigate the “serious” allegations against Motsoeneng.

Meanwhile, South Africa has been criticised by global free press organisations at the United Nations for voting for amendments proposed by China and Russia to a resolution promoting the human rights on the internet. The resolution, backed by most states, sought to reach a commitment on freedom of expression and privacy online. It included a commitment to investigate attacks on internet users such as bloggers and a resolution not to limit online information during crises. South Africa was one of the countries that voted for amendments proposed by China and Russia to remove references to freedom of speech and limiting internet access.

[http://www.dailymaverick.co.za/article/2016-07-04-sabc-battle-lines-drawn-against-  
laudis-rule-by-diktat/#.V3thBE3lrIU](http://www.dailymaverick.co.za/article/2016-07-04-sabc-battle-lines-drawn-against-laudis-rule-by-diktat/#.V3thBE3lrIU)

## **International**

### **Trump Taj Mahal Casino Union Strike Enters Third Day, No End In Sight**

*Seerat Chabba, International Business Times, 3 July 2016*

The strike by workers at the Trump Taj Mahal casino and hotel in Atlantic City has entered its third day — with no end in sight. Local 54 of the Unite-HERE union took to picket lines after contract negotiations broke down earlier this week.

Attempts are being made to reach a contract that restores the workers’ health insurance and pension plans after the former owners of the casino got a bankruptcy judge to cancel those benefits in 2014. The union says that workers are paid an average of \$11.74 an hour, forcing many of them to rely on public assistance such as government-subsidized health insurance and food stamps.

“I don’t mind it because it’s for a good cause. When somebody steals health benefits from young families with kids for 22 months I think that’s horrendous and outrageous,” said John McLaughlin, who said he has worked as a bartender at the hotel since it was opened by Donald Trump in 1990, the Associated Press (AP) reported.

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Trump has had no involvement with the Trump Taj Mahal since 2009 and the casino now belongs to fellow billionaire, Carl Icahn — who acquired it in February this year, keeping the hotel afloat during its bankruptcy.

Everyone is really motivated and really excited out here fighting Carl Icahn,” Bob McDevitt, the union's president, was quoted saying early Sunday morning by the AP. “They’re not counting the days right now. They just figure they’ll be here as long as they have to.”

The casino’s website is not accepting hotel room reservations through next week and an employee stationed at the front check-in desk was reported by the AP saying that no rooms were available through next week because of the striking workers.

Those on strike include workers at the bar, cooks, luggage transporters and cleaning staff. Casino dealers and security are not part of the union strikes. Gamblers reportedly continued playing the slots and table games early Sunday morning and some restaurants were open, while others were closed.

The union reportedly said no further contract talks are scheduled. The last strike in Atlantic City occurred in 2004, when 10,000 workers went on strike against seven Atlantic City casinos for more than a month.

<http://www.ibtimes.com/trump-taj-mahal-casino-union-strike-enters-third-day-no-end-sight-2389121>

### **Comment and analysis**

#### **Brexit has a cautionary tale that SA must heed**

*Trudi Makhaya, Business Day, 5 July 2016*

HERE is the peril of being a small, globally connected, middle-income economy in the 21st century. When another economy of the "developing world" stumbles, your economy also stumbles. Emerging-market risk, flight to safety. When a major, advanced economy falters, your economy will falter. Global uncertainty, flight to safety.

And so SA has to pick through what the Brexit vote and its consequences will mean for the economy. In doing that, we should take some lessons from this moment including lessons about the kind of politics that brought this about. The last time the global economy was hit by a significant quake, the source was the US. And now Brexit, though not on that scale, will also cause ruptures that will diminish global economic growth.

Both these events — the global financial crisis and Brexit — have politics at their core. It’s obvious with Brexit. But with the global financial crisis, we have to remember the political decisions that led to a wave of financial liberalisation in the US, and other parts of the world, that promoted the financial services sector above

the needs of the real economy. These are the politics that also led to the middle class stagnating, dependent on debt and vulnerable to catastrophic expenses such as those occasioned by personal medical emergencies. The politics that saw the share of wages fall as that of profit rose. The politics that sidelined those who questioned rising inequality. Some of these political realities are evident in the Brexit outcome, too.

The political crisis that is unfolding in Britain caught the insiders and supporters of the global economy by surprise, myself included. Western countries such as Britain; with long, complicated histories as modern nation states, are supposed to have answered all the basic questions about economic development, identity and international relationships. I can't be the only one who has had conversations with westerners living and working in Africa because they felt that "everything had been done" in their countries of origin. Perhaps western elites really believed, as last week's *The Economist* suggests, in Francis Fukuyama's "end of history" thesis. This thesis, that Fukuyama himself has re-evaluated, suggested there was nothing left to do in the West except to quietly administer democracy and globalisation (or move to the developing world).

But history continues to surprise in the West. Openness, globalisation, immigration, unregulated capital and austerity — things developing nations have been chided for not embracing wholeheartedly — are some of the very things that have seen the rise of Brexiters, Donald Trump, and the far right and the far left in Europe and the US. Do we still call it identity politics when it is being conducted by grey-headed white men in the English countryside?

When talk turns to political risk, it is generally about the developing world. Yet it is clear that in the coming years, those political issues that we no longer associate with wealthy countries; such as populism, overt protectionism and volatile political-succession battles, will shape the global political economy.

SA has to prepare to navigate a world of uncertainty and increasing polarisation. The temptation would be to sweeten the pain with a bit of Schadenfreude. A more constructive approach would be to take some lessons from this moment. Chief among them has to be letting go of the assumption that economic arguments (and threats) alone are ever enough to sway sentiment on issues that also touch on history and identity. Another lesson is not to dismiss those citizens whose votes seem "irrational" or impervious to the views of experts. This is also a cautionary tale that institutions are never too strong or developed as to ward off impulses such as racism and xenophobia. The work of dialogue, inclusive development and genuine, two-sided compromise is never done.

• *Makhaya is CEO of Makhaya Advisory.*

<http://www.bdlive.co.za/opinion/columnists/2016/07/05/brexit-has-a-cautionary-tale-that-sa-must-heed>

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