



NEWSLETTER

CENTRAL CHAMBER

March 2006

ANNUAL GENERAL MEETING - 2006

The 91st Annual General Meeting of the Central Chamber was held on Thursday 16th March, 2006.

As has become common practice, this event was followed by a cocktail function and thereafter the Annual Dinner. The cocktail function and wine at the dinner were sponsored by ABSA Asset Finance, whilst the after-dinner speaker was sponsored by Antalis Graphics and Print. A custom begun last year, was the handing out of long award certificates to companies whose membership exceeded 10, 25 and 50 years'. Another common practice, going back several years, was the handing out of Certificates to students who had been successful in the annual Estimating Class Exam.

Concerning the above, it is with pride and pleasure that the Executive Committee acknowledge the efforts of Mr Richard Crafford, who lectured his 10th annual class with the usual high success rate. The Chamber expresses its gratitude towards Mr Crafford for his ongoing and undying efforts to share his knowledge with aspirant estimators - whose skills are in dire need.

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2005 Estimating Students

The Chamber also wishes to acknowledge the loyal support of the following companies who received long award certificates:

50 Years

Damax Printing

25 Years

CTP Web Printers

HCI Press

Seculo Triweb Printers

Xanadu Printing

10 Years

Avery Dennison SA

Davmark

D & S Print

Everyprint

Kemtek Imaging Systems

Marshall Hinds

Sappi

Sarepco Investment Holdings

Minuteman Press Rosebank

Thrift Print

The University of the Witwatersrand

The Speaker at the Dinner - attended by 220 members - was Mr Andre Watson, the international rugby referee, who shared his experiences gained over a considerable period of time and the life skills and philosophies that he has developed in the lonely and highly criticised life of a rugby referee.



Andre Watson

Finally, the Central Chamber membership elected the following persons to the Executive Committee for the year 2006/7:



Messrs V Sweet, M Bath and J Latter

Mr John Latter - Britepak (President)

Mr Michael Bath - Goldfields Press (Vice-President and Treasurer)

Lawrence Kropf – Beith Digital

Charles de Beer – Caxton

Wiseman Madinane – Gillmich Business Forms

Bhadresh Rama – Golden Era Printers

Don Lewis – Lithotech

Andrew Read – Lithotech (Alternate)

Stewart Blanckensee – Lloyd-Gray Lithographers

Stewart Butler – Masterpack

Andre Smit – Media 24

Deon Joubert – Merpak Envelopes

Kevin Mortimer – Mortimer Offset

David Baker – Multiprint Litho

Aaron Ntshangase – Nampak

Neil de Greef – Screenline

Victor Sweet – Ultra Litho

The Central Chamber membership also wish to record their sincere thanks to Mr Vic Sweet (Ultra Litho) for his outstanding service during his term as President and to Mr Mike Gassenheimer (Davmark) for the many years contribution as a member of the Executive Committee, who has decided to retire from that position.

DIRECTORS LIABILITY

Item 866 (Acknowledgements ICSA Corporate Governance Technical Newsletter)

The extension of liability to Directors in terms of Section 16 (2C) of the fourth schedule to the Income Tax Act which provides that every shareholder and Director who controls or is regularly involved in the management of a company shall be personally liable if the company fails to pay employees' tax to SARS. This liability applies to all Directors and controlling shareholders, in their personal capacities. Liability also applies, in the case of environment, to the Directors of a company or members of a close corporation who are jointly and severally liable for the unacceptable negative impact of environmental damage or degradation. This reveals a tendency to lift the corporate veil and can be expected to extend to other legislation.

DIRECTORS: THE NEED FOR COURAGE AND A MIX OF TALENTS

Item 867 (Acknowledgements ICSA Corporate Governance Technical Newsletter)

That dominant personalities do still rule in many Boardrooms is a matter of fact. The liability of the remaining Directors is, however, of great concern to many potential Directors.

Potential Directors need to ask the question of whether or not they wish to be associated with a company. To do this it is necessary for them to examine the company's observance of the provisions of the King Report 2002 and the Listings Requirement of the JSE.

This has recently become evident in the Court case in which two former Leisurennet Directors are being sued by the Auditors.

In the Macnet case, one Director was personally sued for R647 million.

The liability of Directors who serve on boards in which doubtful practices may occur is of course unlimited.

A balance between entrepreneurialship and compliance is essential and should be maintained in all companies.

Unfortunately the decision which directors face, on whether or not to be involved in a company, is a matter of judgment, for which no finite rules exist.

PENSIONS: BRITISH CALL FOR OLDER RETIREMENT

Item 868 (Acknowledgements ICSA Corporate Governance Technical Newsletter)

The British Pensions Commission has examined the question of retirement benefits. It was recommended that, in gradual increases, the official retirement age should be between 67 and 69 by the year 2050

The Pensions Commission points out that workers are living longer. Present indications are that a pensioner could expect to live to the age of 87 in the case of males and 89 in the case of females. The British Pensions Commission believes that pension contributions, as a percentage of gross domestic product will have to increase from the present 6.2% to approximately 8%. This, it is believed, should be done in gradual stages, to the year 2050. The report suggests that a National Savings Plan be commenced, to which employees would be required to contribute 5% of their earnings, employers 3% of the earnings and the Government 1% of the earnings. This would provide benefits which are not as discriminatory to women and to which means tests will not apply.

COMPANIES AND CLOSE CORPORATIONS: PROVISION OF SECURITY FOR COSTS, IN THE COURSE OF A LEGAL ACTION

Item 869 (Acknowledgements ICSA Corporate Governance Technical Newsletter)

In two recent Court cases, the High Court has emphasized that the right to demand security for costs in legal proceedings, when a close corporation or a company is the plaintiff or applicant, is conditional upon the court finding that there is reason to believe that the Close Corporation or company would be unable to pay the costs. The right would accordingly not be unconditional.

The cases in question are:

- Computer Brilliance CC v Swanepoel 2005 (4) SA433 (T); and
- Firstrand Bank Limited v Pather 2005 (4) SA 429 (N)

PREVENTION OF ILLEGAL EVICTION FROM THE UNLAWFUL OCCUPATION OF LAND ACT: APPLIES TO TRUSTS AND NATURAL PERSONS

Item 870 (Acknowledgements ICSA Corporate Governance Technical Newsletter)

It should be noted that, in terms of *Ndlovu v Mgcobo*; *Bekker and Others v Jika* 2003 (1) SA113 (SCA), the legislative protection provided by the Act only applies where the property is used as a dwelling or shelter for humans.

The position is that the provisions, of the Prevention of Illegal Eviction from the Unlawful Occupation of Land Act, apply to natural persons and to a situation in which the lessee is a trust, and one or more of the trustees occupies the premises as a dwelling.

PREVENTION OF ILLEGAL EVICTION FROM THE UNLAWFUL OCCUPATION OF LAND ACT, 19 OF 1998

Item 871 (Acknowledgements ICSA Corporate Governance Technical Newsletter)

When a lessor seeks the eviction of a lessee from a residential property, The Prevention of Illegal Eviction from the Unlawful Occupation of Land Act 19 of 1998 does not apply, if the lessee is a company or a close corporation.

PREVENTION OF ILLEGAL EVICTION FROM THE UNLAWFUL OCCUPATION OF LAND ACT: RENT DEFAULTERS MAY NOT BE ABLE TO CLAIM PROTECTION

Item 872 (Acknowledgements ICSA Corporate Governance Technical Newsletter)

A draft Bill, published in 2005, proposes that rent defaulters should not be able to obtain protection under the Prevention of Illegal Eviction From the Unlawful Occupation of Land Act.

RETIREMENT AGE

Item 873 (Acknowledgements ICSA Corporate Governance Technical Newsletter)

The new German Chancellor has announced that the State Pension age of retirement will increase from the present 65 to 67 by the year 2035. This is a consequence of more people claiming benefits and fewer people paying taxes.

There would seem to be a good case, for companies to increase the retirement age, in order to retain existing skills. This would also enable workers to increase their retirement packages, which is sorely needed by most retirees.

VOLUNTARY PUBLIC TRAFFIC OBSERVERS

Item 874 (Acknowledgements NAFCOO/JCCI)

How many times have you said: "there's never a traffic cop around when needed". A National Traffic Call Centre has been set up so the public can actively participate in making our roads safer.

As a Voluntary Public Traffic Observer (TO) you could report traffic offences, unroadworthy vehicles, reckless, negligent or aggressive driving behaviour, and fraud or corruption in traffic situations.

In response to information provided by TOs, letters are sent out cautioning the alleged traffic offenders. Where drivers are identified as regular offenders, traffic officers will meet with them to discuss the unacceptability of their behaviour.

Information received is also correlated with traffic offence notices sent out.

Reports are prepared identifying routes or locations where regular offences occur.

Courteous and helpful road users and traffic officers can also be acknowledged through this system.

To register as a Voluntary Public Traffic Observer, call 0861-400-800 or send an e-mail to ntcc@rtmc.co.za requesting a registration form.

US IMMIGRATION RULES COME INTO FORCE

Item 875 (Acknowledgements NAFCOO/JCCI)

Legislation came into effect on 8 March that requires passengers flying into the US to provide the following information prior to their boarding US-bound flights:

- Country of residence
- Where they will be spending their first night in the US.

Airlines have warned that this may result in delays at check-in. Passengers should provide their details through their travel agent at the time of booking. Those who refuse to provide these details will not be allowed to board their flight.

(courtesy of Von Moricz Bon Voyage Travel).

SURVIVING PRODUCTIVELY WITH HIV AIDS

Item 876 (Acknowledgements NAFCOO/JCCI)

A workshop on how to manage living with this traumatic disease in a productive, goal-directed manner is offered by Lukas M van Wyk, who himself has survived for twenty years.

Call 012 361 5632 e-mail:

lumar@telkomsa.net

PUBLIC HOLIDAYS – 2007

This information has been compiled from the official source (Department of Home Affairs) and whilst every effort is made in ensuring that the information supplied to us is correct, PIFSA cannot be held responsible for any changes or inaccuracies by the Department.

SOUTH AFRICA

New Years Day	1 Jan 2007
Human Rights Day	21 Mar 2007
Good Friday	6 April 2007
Family Day	9 April 2007
Freedom day	27 April 2007
Workers Day	1 May 2007
Youth Day	16 June 2007
National Women's Day	9 August 2007
Heritage Day	24 Sept 2007
Day of Reconciliation	16 Dec 2007
Christmas Day	25 Dec 2007
Day of Goodwill	26 Dec 2007

KENYA

New Years Day	1 Jan 2007
Good Friday	6 April 2007
Easter Monday	9 April 2007
Labour Day	1 May 2007
Madaraka Day	1 June 2007
Moi Day	10 Oct 2007
Kenyatta Day	20 Oct 2007
Jamhuri Day	12 Dec 2007
Christmas Day	25 Dec 2007
Boxing Day	26 Dec 2007

N B: Please note that Kenya celebrates the Muslim holiday of Eid-Ul-Fitr (Termination of Fasting). This day is determined by the lunar calendar as advised by Chief Kadhi.

The information has been compiled from the official source (Kenya High Commission), and whilst every effort is made to ensure that the information supplied to us is correct, PIFSA cannot be held responsible for any changes or inaccuracies.

MALAWI

New Years Day	1 Jan 2007
John Chilembwe Day	17 Jan 2007
Matyr's day	3 March 2007
Good Friday	6 April 2007
Easter Monday	9 April 2007
Labour Day	1 May 2007
Freedom Day	14 June 2007
Republic Day	6 July 2007
Mothers Day	2 nd Monday of October
Christmas Day	25 Dec 2007
Boxing Day	26 Dec 2007

NB: The above information has been compiled from official sources (Malawi High Commission) and whilst every effort is made to ensure that the information supplied to us is correct PIFSA cannot be held responsible for any changes or inaccuracies.

SWAZILAND

New Years Day	1 Jan 2007
Good Friday	6 April 2007
Easter Monday	9 April 2007
Kings Birthday 2007	19 April
National Flag Day	25 April 2007
Labour Day	1 May 2007
Ascension Day	17 May 2007
Public Holiday	22 July 2007
Umhlanga Reed Dance Announced	To Be
Somhlolo Day	6 Sept 2007
Incwala Day	To Be Announced
Christmas Day	25 Dec 2007
Boxing Day	26 Dec 2007

NB: The above information has been compiled from official sources (Embassy of Swaziland) and whilst every effort is made to ensure that the information supplied to us is correct PIFSA cannot be held responsible for any changes or inaccuracies.

GHANA

New Years Day	1 Jan 2007
Eid-Yl-Adha	20 Jan 2007 **
Independence Ann	6 March 2007
Good Friday	6 April 2007
Easter Monday	9 April 2007
Labour Day	1 May 2007
Africa Day	25 May 2007
Republic Day	1 July 2007
Eid-Ul-Fitr	Nov 2007 **
Farmers Day	First Friday in Dec
Christmas Day	25 Dec 2007
Boxing Day	26 Dec 2007

** Holidays are subject to change

NB: The above information has been compiled from official sources and whilst every effort is made to ensure that the information supplied to us is correct PIFSA cannot be held responsible for any changes or inaccuracies

ALSO AVAILABLE FROM THE CENTRAL CHAMBER ARE SCHOOL HOLIDAYS, MOON PHASES, JEWISH AND ISLAMIC HOLIDAYS. PLEASE CONTACT NICKY POTTOW ON 011 699 3044 TO HAVE THESE FAXED TO YOU.

THE CENTRAL CHAMBER'S SALES REPRESENTATIVE SEMINAR

"How to reach your sales target and benefit your business"

The Central Chamber's Executive Committee, through the input of the membership has established a need to have a seminar of this nature, as it is well overdue. We feel our members' staff need to interact and be kept informed of the changes within our Industry as well as the expectations in the market place. This seminar is designed to fulfill this need and give the delegates an opportunity to network.

Please see enclosed brochure for more details or contact Nicky Pottow on (011) 699 3044

EMPLOYMENT EQUITY PUBLIC REGISTER

Item 877 (Acknowledgements Department of Labour – 24 March 2006)

Labour Minister Membathisi Mdlalana has today (Friday, 24 March 2006) announced the release of Employment Equity Public Register for employers who submitted reports for the 3 October 2005 reporting deadline.

He said the Department has captured 2762 reports submitted by employers who employ 150 or more employees. Only employers who employ 150 or more employees were required to report in 2005.

“A challenge still exists to improve the quality of the reports submitted to the Department by employers who continue to submit incomplete and incorrectly prepared information,” he said.

In order to assist employers, the Department introduced an online service on the 1 September last year to enable employers to complete and submit their reports online. This online service assists employers completing the required information by flagging any outstanding or problematic entries.

“Only a few employers opted for this method of submission but we are confident that this will change over time. Employers are warned that the Department will no longer accept employment equity reports that have not been fully and correctly completed and employers will in future be deemed not to have reported until all outstanding information has been supplied.” he said.

Employers who intend tendering for state contracts are required to provide proof of submission of their employment equity report to the Department of Labour.

The next reporting deadline is 2 October this year and all employers with 50 or

more employees are required to submit their reports, as well as employers with fewer than 50 employees whose turnover exceeds their sector threshold in schedule 4 of the Employment Equity Act.

The Public Register for the 2005 reporting period is available from the departmental website <http://www.labour.gov.za>. Hard copies of Government Gazette No. 28642 are available from the Government Printer at telephone (012) 334 4508/09/10.

Enquiries: Mokgadi Pela – cell: 082 808 2168

MEDIA ALERT: FRAUDULENT SCHEME TARGETS BUSINESSES

Item 878 (Acknowledgements Department of Labour – 2 March 2006)

Pretoria – The South African Revenue Service (SARS) cautions all taxpayers to be on the lookout for a fraudulent scheme aimed at extorting money from businesses in the Johannesburg area.

SARS has received information from businesses that an individual, purporting to be a SARS official, visited two business premises in the south of Johannesburg recently.

The suspect demanded payments of R5 000 and R8 000 from two business owners in exchange for a “Compliance Clearance Slip”. This fraudulent document was issued for a period of five years. The document contains a fraudulent SARS stamp and was issued by the “Audit Section (0773), Receiver of Revenue”. No such unit exists in SARS.

SARS officials do from time to time engage in site visits and inspections of business premises. However taxpayers can be assured that the following protocols or guidelines will always be adhered to:

- A SARS official will not visit a business premises alone. If inspections or visits are done, they are undertaken by teams
- Officials will always produce SARS identification and provide businesses with an office telephone number to confirm their identities.
- SARS does not issue “Compliance Clearance Slips”. An authentic Tax Clearance Certificate is issued only at a SARS Branch, office as the taxpayer’s file has to be examined electronically on the SARS system
- A Tax Clearance Certificate is valid for up to one year and is issued based on past behaviour by the taxpayer
- No taxpayer should ever pay over cash to a SARS official other than at a SARS Branch office or into an approved SARS account at a commercial bank
- Every Tax Clearance Certificate that SARS issues has a unique identifier number which enables a taxpayer to question its validity at any SARS branch office. These certificates are issued free to compliant taxpayers.

SARS requests the public to be vigilant and keep SARS informed of such scams through the SARS Fraud and Anti-Corruption hotline 0800002870.
 Enquiries Adrian Lackay – SARS Communications
 Tel (012) 422 4206 Cell: 083 388 2580

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FORM.**