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Idea of victims' reparations fund finds favour with some observers¹

Pearl Sebolao

THE truth commission's recommendation that a wealth tax and a once-off levy be imposed on business to fund reparations for victims of gross human rights violations has been welcomed by some observers and the SA Communist Party (SACP).

SACP deputy general secretary Jeremy Cronin said it would make sense for big business to contribute to the compensation of those who suffered under apartheid, as the structure of SA's economy was based on the systematic abuse of human rights, especially the rights of black people.

Stephen Mulholland, a columnist and former media executive, supported some of the commission's recommendations, but warned against the perception that the private sector "was a bottomless pit" of money.

Mulholland said he was in favour of companies donating 1% of their market capitalisation for reparations. However, the contribution should be on a voluntary ba-

sis and the donation in the form of shares.

Cronin said the SACP had always supported the introduction of a wealth tax and a once-off levy for companies and had raised this during the truth commission's hearings into the complicity of business in human rights violations during apartheid.

The recommendation was contained in the five-volume report handed to President Nelson Mandela by truth commission chairman Archbishop Desmond Tutu on Thursday.

The commission also recommended that companies listed on the Johannesburg Stock Exchange make a donation of 1% of their market capitalisation for reparations.

Other suggestions included a retrospective surcharge on corporate profits extending back to a specific date, but no date was put forward in the commission's final report; a retrospective surcharge on golden handshakes given to public servants since 1990, as well as the use of the SA Special Risk Association (Sasria) fund for reparations.

Cronin said the practicality of all these measures should be investigated. However, Sasria's funds should not be used as a substitute for business's contribution, as they belonged to government and not to business.

Mulholland said that once the "reparations fund" to assist the disadvantaged had been established, it should be handled by the Johannesburg Stock Exchange and should be under the chairmanship of someone like Tutu and the private sector.

Government should have nothing to do with the fund.

The Congress of SA Trade Unions submission to the job summit on Friday proposed a solidarity tax or a job creation levy on companies for a specified period similar to the tax introduced in West Germany in 1991 to fund unification. It suggested the tax be levied for an initial period of five years, subject to review.

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SACP

Comment

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