# Opinion&Analysis

#### **QUOTE OF THE DAY**

You get the best out of others when you get the best out of yourself. -

Harvey Firestone, American businessman and the founder of the Firestone Tyre and Rubber (1868 - 1938)

# Super rich flock to Sandton, Cape Town central

#### **BUSINESS** WATCH

HERE do South Africa's wealthiest people live? A from Londonconsultancy WealthInsight sheds some light on their geographical distribution.

With 36 multimillionaires, Sandhurst accounts for the largest proportion of Johannesburg's ultra high net worth individuals (UHNWIs). Bryanston accounts for the second-largest percentage, "although it is a significantly larger suburb than the likes of Sandhurst, Hyde Park and Westcliff", the report notes.

"The area known as Sandton, which includes Sandhurst, Sandown, Morningside, Hyde Park, Melrose, Atholl and a number of other suburbs, is home to over half of Johannesburg's UHNWIs.'

The report also notes that a number of South African companies moved their head offices to Sandton, following a rise in crime in Johannesburg's city centre between 1990 and 2000. "Most notably, the JSE moved to Sandton in September 2000 from the central business district. Sandton has continued to grow strongly between 2000

Liza van Wyk

meet human needs.

political equality.

N SOUTH Africa, the advancement of

women is part of the democratisation

of the country and gender equity is a significant force for directing attention

Yet even as the nation is involved annu-

ally with the 16 Days of Activism Against

Gender Violence to raise awareness about all forms of violence against women, the

energy and attention given to Women's

Month each August and festivities associ-

ated with International Women's Day on

March 8, the struggle for gender equity is

a worldwide effort highlighted month after

month. These celebrations and milestones

continuously draw attention to the claims

of women for economic independence and

activities to advance gender equity,

progress in bringing women into leader-

ship and decision-making positions

around the world remains far too slow. And

when women do make it, there often re-

mains an undercurrent sneering of hostil-

ity and a hint of sexism that somehow

In South Africa, women make up 52 per-

cent of the population, 41 percent of the

working population yet only 14.7 percent of

all executive managers and 7.1 percent of

still values clear-cut gender role differ-

ences. Men are the dominant sex and are

expected to control the home with the hus-

band culturally accepted as the ruler of

family and regarded as the formal author-

ity to which the wife and children must

ultimately respond. These roles are

authoritarian and he assumes responsibil-

ity for maintaining the family structure by

whatever means he feels are justified. The

wife's role is taking care of the family and

remaining dependent on her husband to

protect the family structure. This culture

can be found in legislative structures,

boardrooms and workplace floors. In short,

Nevertheless, in 18 years of democracy

our country has made significant progress

we still value and respect patriarchy.

In many instances, the husband's role is

extended to the work environment.

We remain a patriarchal society that

all directors in the country.

public leadership is still best left to men.

It is a pity that beyond the high-profile

and 2011 and is considered to be the bank-

ing and wealth centre of South Africa." Central Cape Town accounts for the highest proportion of that city's UHNWIs (17 percent). The bulk of these are based in the Waterfront Marina, Higgovale, Green Point, Oranjezicht and Tamboerskloof.

According to WealthInsight research, Camps Bay, in second place, is home to the largest number of South African homes worth more than R20 million, while Clifton, in third place, is home to the largest number of South African homes worth over R50m. Clifton is also the most expensive residential area in the country.

Clifton and Bantry Bay in particular are hotspots for wealthy foreign billionaires who own some of the largest properties in these areas. The report notes: "These individuals are not included in our count as they are based in other countries. Other wealthy Cape Town areas with more than one billionaire include Hout Bay, Newlands, Upper Claremont, Kalk Bay and Simon's Town."

#### Mangaung

It is perhaps the nature of political parties to talk with a forked tongue. It invariably involves the use of words with lots of letters which bamboozle the author of the message as well as those who are intended to receive the message.

Take, for example, the Economic Transformation and Rural Development and Sandton, which includes Sandhurst, Sandown, Morningside, Hyde Park, Melrose, Atholl and others, is home to over half of the city's super wealthy.

Land Reform chapter on resolutions taken at the June policy conference of the ANC. This forms part of a lengthy document on "Recommendations from the 4th National Policy Conference, June 2012"

This is an important chapter because its contents will be debated at next week's national conference in Mangaung. It notes that the State Intervention in the Mining Sector (Sims) report carried a number of policy recommendations concerning ownership and control "that can be processed at the (Mangaung) conference".

Intriguingly, last week the Government Communication and Information System got into hot water when it suggested that a task team on the iron ore and steel sector had recommended that export taxes should be imposed. The Department of Trade and Industry said these taxes were intended only for the scrap metal sector.

Yet the policy recommendations say specifically: "The state should develop strategies to identify and manage strategic minerals in the national interest. Instruments to support beneficiation and competitive pricing of these strategic resources

include the use of targeted export taxes." Now we know how the authors of the cabinet briefing document came up with this idea, which was hastily contradicted by the Department of Trade and Industry.

The policy document also says some of the Sims recommendations "do not require consideration by [the Mangaung] conference... but will be referred to NEC legkotla (sic) for auctioning (sic: actioning)".

Any ideas that policy positions could be sold by the ANC national executive committee to the highest bidder must, at once, be cast from the mind.

#### Denel

Trade union Solidarity said yesterday it had received verbal confirmation that all aircraft specialists at Denel Aviation/AMG would be retrenched because of the cancellation by the SA Air Force (SAAF) of its contract for aircraft maintenance with the company.

This follows the Department of Defence giving Denel Aviation/AMG notice in June last year that it would cancel this contract. However, negotiations were then held to amend and possibly review the contract, but the SAAF last month reviewed its decision and disclosed it would not proceed with a new contract with the Denel unit.

These events raise a number of questions, not least of which is who will be providing aircraft maintenance services to the SAAF from April, particularly as these skills are unlikely to be freely available.

This raises another issue highlighted by Solidarity: the possibility of the SAAF taking over the employment contracts of some of Denel's technicians. Solidarity stressed this issue had not been raised by the SAAF and, in such an event, a section 197 notice of the Labour Relations Act must be issued for the transfer of contracts of employment, with the act also stipulating that employees' conditions of service and remuneration must be kept on the same level when transferred.

"We are concerned that the air force, to cut back on expenses, will wait until all the employees have been retrenched before appointing some of them on a lower salary to do the same work," said Solidarity spokesman Jack Loggenberg.

It must surely be illegal in terms of the Labour Relations Act for the SAAF to attempt this. Surely the Labour Department would not allow private companies to get away with this and must ensure the SAAF complies with the act – as it is supposed to do with all other entities in the country.

Edited by Peter Delonno. With contributions from Ethel Hazelhurst, Donwald Pressly and Roy

## Fiscal cliff avoidance beyond the **US** system

#### **LAST** RESORT

### Bradley Belt, Jared Bernstein, William Gale and Phillip Swagel

ITH less than four weeks left, reaching an agreement to avoid the negative short-term economic impact of the so-called fiscal cliff might be beyond the ability of the strained US political system.

Averting the \$600 billion (R5.2 trillion) in automatic spending cuts and tax hikes scheduled to take effect in January, requires one side to give ground on a core belief: either for the Democrats to allow an extension of lower tax rates on top earners or for the Republicans to accept a return to higher rates for those taxpayers.

Both parties agree that any deal will include increased revenue. They disagree over the form of that revenue.

Republicans look to limit deductions that mainly benefit people with high incomes, while extending the 35 percent top income tax rate. This could raise about \$800bn over 10 years if the deduction cap is broadly applied, but considerably less if tax breaks such as for charities are left

US President Barack Obama's plan raises twice that much through higher tax rates and limits on deductions for households with the top 2 percent of incomes.

Our view is that financial policy must operate on two time tracks: providing near-term support for the still-fragile recovery, while driving the political system to address the long-term imbalance. We propose to let all tax cuts expire and offset

ne negative economic impac Increased revenue comes mainly from higher tax rates rather than from a broader tax base. The higher rates affect all income levels; the alternative minimum tax hits millions it was never intended to reach.

To avoid a recession, we propose temporary tax and spending measures to boost near-term demand without making choices between the agendas of the two parties. We see this last point as essential.

Getting past the cliff with the least damage to the economy requires not making choices about fundamental long-term issues in a lame-duck setting. This means that our proposal does not separate upperincome tax brackets from other tax rates as sought by Obama, but neither does it extend all rate cuts as sought by Republicans. Instead, all tax rates go up.

Our proposals are explicitly temporary. We propose a one-year, \$200bn tax refund to support household spending, with rebate checks of about \$1 200 for a couple and an additional \$600 a child sent out in the first half of next year. We would add \$50bn for spending to rebuild roads, repair and modernise public schools, and fund scientific research. An additional \$50bn would go to financial relief for states.

Finally, we propose to extend the legislative patch that prevents the alternativeminimum tax from hitting tens of millions of households and the Medicare "doc fix" that averts sharp cuts in payments to doctors serving senior citizens. We also advocate turning off the sequester put in place in August last year that means some \$100bn in automatic spending cuts.

All of these proposals together reduce the contraction from the cliff by \$300bn and add \$300bn to offset the rest of the financial tightening and provide the economy with a near-term stimulus.

This is not a "least common denominator" approach; the fiscal cliff isn't avoided, as tax rates rise and expenditures decrease in ways that are painful for all people. Yet, it is better than a stalemate that threatens recession. - Bloomberg

Empowering women leads to broader prosperity

ministers and deputy ministers. As we celebrate gender equality and women empowerment as one of the cornerstones of democracy in South Africa, it is gratifying that our society is aware that without gender equality our maturing democracy could not achieve the desired results. As long as women remain sidelined in the economic and political mainstreaming, our country will struggle to

to advance women towards the achievement

of legislated gender equality. So far, less than

a third of MPs are women. Also women com-

prise 40 percent of national government

achieve true economic and social freedom. It is also gratifying when considering e fact that the UN has set a target o 30 percent of female legislators, that 20 countries including South Africa, have reached or exceeded that goal.

### The UN has set a target of 30 percent of female legislators and 20 countries including South Africa have achieved that goal.

According to a UN study, countries that have achieved above 35 percent threshold of women legislators include Rwanda with 48.8 percent followed by Sweden at 45.3 percent, South Africa at 40 percent, Norway at 37.9 percent, Finland at 37.5 percent and Cuba and Spain at 36 percent each, while Costa Rica, Austria and Germany among others have 30 percent to 35 percent.

The UN study shows that the number of women presidents and prime ministers has increased during the past decade.

Several countries, including Liberia and Malawi, now have women as heads of state. Let us not forget New Zealand, Germany and several others.

The UN concludes that it would take women until 2040 to reach the quota of 30 percent in legislatures across the world.

So why is it that despite the progress we have made, women are considered less legitimate as leaders? Is it that we assume leadership is for men, and only exceptional women can compare with ordinary men in such roles? As I said earlier, the history of male domination is centuries old. Patriarchal and male power has shaped the construction of leadership, its culture, discourse, image and practice for centuries.

Deterrents to women's advancement are many. They include perceptions of rience, less exposure to assignments that involve risk and high visibility, difficulty in adapting to the corporate culture and lack of a clear career strategy. These are perceptions, not reality.

lack of general management and line expe-

Gender stereotypes play an active role in prejudice and discrimination against women. According to traditional gender roles, men are seen as dominant, independent, competitive, capable of leadership and interested in business. On the other hand, women are seen as submissive, dependent, caring, good at domestic tasks and child rearing, less competent than men and unsuited for authority or leadership.

Other chanyinists believe the rea why women do not move into the higher echelons of executive positions may also be related to pressures inherent in the job situation, including the pressures of the job itself such as long work hours, a frantic work pace, responsibilities, demands, and the burden of making important decisions, not forgetting the pressure of family obligations such as managing demands in life outside work, work-family dual roles, and work non-work role conflict.

But we all know that stereotypes die hard and that the economic, political and social empowerment of women offers the surest way to broader prosperity and social stability. Our continent, and indeed the whole world, cannot hope to escape its troubles until such time as women assume their proper role in society.

There are examples that women are capable leaders. Liberia has re-elected the first woman president in Africa, the Nobel Prize-winning, Harvard-educated and former UN executive Ellen Johnson Sirleaf. She has now been joined by President Joyce Banda of Malawi, who has proved to be a strong and decisive leader.

Here at home there are capable women leaders. Who will forget the hard-fought election of Nkosazana Dlamini-Zuma to the powerful role of the chairperson of the African Union Commission. Women have great potential in the busi-

ness and corporate environment as they possess natural soft skills such as emotional intelligence, multi-tasking, organisational proficiency and communication skills that are invaluable in the business world. Unfortunately, there is not enough

effort being exerted to fully develop the leadership potential of women, which is one of the reasons why there are very few women holding high-level positions in the corporate and political world.

Women leaders should raise the awareness on unequal distribution of opportunities and subsequently encourage business community and governments to offer appropriate training for the skills development



and career advancement of women.

We must address the prevailing imbalance in terms of opportunities available to women to cultivate dynamism and generate greater activity in the investment sector. There is a need to implement various corporate initiatives such as change management, culture transformation, strategy execution through cross-functional teams, organisational design and organisational vision and mission.

Common attributes found in successful women development programmes include: ■ Senior management engages in and is committed to planned women leadership development.

- Organisations invest time and money in developing and rewarding high-potential women talent.
- Women with leadership potential are identified and told they are chosen.
- High-potential individuals are offered challenging developmental job experiences,

continues, women should remain united and create relations among themselves, improve their leadership quality, and acquire more knowledge and experience for ensuring women rights and their greater access to every sphere of the national life.

including job rotations, lateral moves, spe-

cial projects, task forces or committee

assignments that stretch their experiences.

■ Mentors and coaches from the ranks of

■ The process is systematic, offers

rewards and becomes part of the organisa-

by women in every sphere of life must come

to an end to pave the way for the smooth

flourishing of women leadership at all lev-

els. As the struggle for women advancement

All sorts of discriminations being faced

senior executives provide support.

tional culture.

Liza van Wyk is the chief executive of AstroTech Training, a provider of leadership development

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### **III** DIARY

#### **Cocky calendar to ruffle feathers**

RUGGED exteriors and cocky poses are a given for pin-up calendars, but these models are a whole new breed as they prance for photographs for the world's first calendar for hens.

The calendar features ravishing roosters set to bring some egg-citement to farms across Britain.

The poultry pin-up calendar is a reply to new research, which shows the presence of cockerels calms hens and make them feel safer, resulting in better quality eggs. The Happy Egg Company therefore decided to put together a 2013 calendar to bring some cockerel love to lonely hens in the UK.

The calendar includes an "American Beauty" style shot of a cockerel surrounded by red rose petals while another poses in front of a mirror. - Daily Mail

### Office party hangovers costly

THE OFFICE Christmas party is an opportunity for employers to reward staff for all their hard work throughout the year with one night of festive fun.

But some firms may consider cutting out the free booze in future, after researchers claimed hangovers cost UK businesses almost £260 million (R3.6 billion) in lost work hours over the party season. According to the research, commissioned by web

travel firm lastminute.com, about a quarter of employees work for fewer than four hours the day after the annual Christmas party because they are suffering ill-effects from the night before.

Of the 1500 people, one in 10 admitted doing something they regretted, such as spreading gossip and kissing senior members of staff. - Daily Mail