



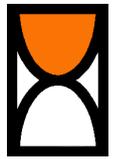
# Friday@Noon

Signals from this week's news

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- South Africa's jobless rate has escalated to an eight-year high, bringing into question whether targets to halve unemployment by 2020 can be achieved. The economy lost 355 000 jobs even as thousands of new entrants flooded the labour market. This resulted in the unemployment rate jumping to 26.7%, or 5.7m people, in the first quarter from 24.5%, or 5.2m, in the previous quarter, StatsSA's quarterly labour force survey showed on Monday. The decrease in jobs in the first quarter was the largest since 2010.
- Police are paying 'serious attention' to claims by a whistleblower about an alleged assassination plot against Public Protector Thuli Madonsela. The plot, disclosed to Ms Madonsela by a police informant who she knows, involved the payment of R740 000 to a prominent Western Cape gang leader to arrange a hit, reported the *Sunday Times*. Acting national police commissioner Khomotso Phahlane was consulting various role players.
- Deputy President Cyril Ramaphosa has welcomed Moody's rating decision to maintain its Baa2 sovereign rating for SA with a negative outlook. He said that Moody's positive decision not to downgrade showed what could be achieved when government, business, trade unions and civil society worked together.
- The Department of Energy said it was still confident of conducting a successful nuclear procurement process. SA is aiming to install 9 600MW of nuclear power, at a cost of about \$100bn, to tackle electricity shortages. The National Nuclear Regulator will probably decide on Eskom's two new site licence applications by 2018.
- South African Post Office (Sapo) CEO Mark Barnes is finalising a domestic syndicated loan facility to raise some of the R3.7bn to stabilise its operations and generate revenue, Telecommunications and Postal Services Minister Siyabonga Cwele said. Cwele noted that Sapo was implementing the recommendations of the Special Investigating Unit and the public protector, as well as its own strategic turnaround plan.
- SAA chairwoman Dudu Myeni has reasserted her grip on the airline, last week suspending SAA's head of human resources Thuli Mpshe with whom she clashed, and telling staff that she will run the airline without further Treasury guarantees. Finance Minister Pravin Gordhan said that SAA would not receive further loan guarantees until a new board and management were in place. President Zuma insisted that Ms Myeni, his close friend, be retained. Ms Mpshe has a reputation among colleagues for being ethical and determined.
- Basic education Minister Angie Motshekga condemned the protests in Vuwani, Limpopo, that have led to torching or vandalising close to 50 schools. She said reconstructing the schools will cost about R720m. Vuwani residents protested against the creation of a new municipality which will include Malamulele residents.
- The Department of Labour says it will soon introduce surprise inspections in economic sectors such as agriculture, hospitality and construction industries in a bid to enforce compliance with labour legislation. Mr Morotoba said some employers and syndicates continued to exploit migrants, who were seen to be hard working and less likely to strike or to demand labour law protection or salaries in line with minimum wages.
- Defence Minister Nosiviwe Mapisa-Nqakula confirmed that the Department of Defence would acquire a new presidential jet but denied that there was a preferred option or that an amount of R4bn had been mentioned. She said the slow response to requests for expressions of interest meant that the department would now lease an aircraft, pending the acquisition process. She said the process would be handled responsibly.
- The effect of drought, income disparities, unemployment and rising debt will plague consumers for the rest of 2016, according to seven reports by Standard Bank focusing on SA consumer behaviour and trends, suggesting that lower-income consumers will be the hardest hit as food accounts for about 33.5% of their expenditure. Food inflation is expected to peak at about 12% year-on-year in the second-half of 2016.
- SA does not rule out a future call for regulated international trade in rhino horn trade, despite its decision not to push for legalisation at an upcoming CITES conference, Environmental Affairs Minister Edna Molewa said. Out of the 1 338 rhino poached in Africa last year, only 163 were killed outside SA.
- SA has partnered with Iran to develop desalination plants along coastal communities to boost water supplies, Water and Sanitation Minister Nomvula Mokonyane said as the worst drought in living memory dries dams. Last year, SA recorded its lowest annual rainfall levels since records began in 1904. **End**