

of retirement annuity policies and life insurance policies which are offered to members. The financial investment performance has been encouraging, although

the economy has experienced a period of market volatility.

As a non-executive director of the two companies, I am able to express my continued

satisfaction with the manner in which the companies have operated during the past year. □□

Bursary Committee

*GC Pretorius SC,
Johannesburg Bar*

Gerrit Pretorius SC of Johannesburg and Ig Bredenkamp of Pretoria sat on the Bursary Committee which processed 23 applicants for the second half of 2003. The committee decided to award bursaries to four candidates of whom two decided not to proceed with their pupillage, one was not admitted as an advocate, and one failed the examination. All four applicants had been recommended for bursaries by the representatives of their respective Bars. Three further unsuccessful applicants passed their examinations.

Sixteen applicants applied for bursaries in 2004. Bursaries of R10 000 each were awarded to PI Thole of Free State, R Abrahams of Cape Town, CE Malema of Johannesburg, and ML Mohlahlo and TM Matshidza of Pretoria. Matshidza did not continue with his pupillage and no monies were paid to him. The other

four each received an initial payment of R5 000, with a further R5 000 payable on passing the exam.

The manner in which bursaries are allocated remains unsatisfactory. It appears from the applications that many of the applicants are in dire financial need, yet have little or no legal experience. As always, the committee relied heavily on the recommendations from the various Bars. Despite this, the allocations largely remain a hit-and-miss affair. This is graphically demonstrated by the following: the committee decided not to utilise the balance available for the second part of 2003 as bursaries, but proposed that it be utilised as financial assistance to those unsuccessful applicants for bursaries who later passed their examinations. The committee would like the authority to implement this proposal in cooperation with the various representatives at the different Bars.

What might contribute to a more satisfactory allocation of bursaries would be the allocation of a lump sum to each of the Bars ('block bursaries'), in turn to be allocated by them to deserving applicants.

It seems that the larger Bars (Cape Town, Natal and Johannesburg) all have bursary schemes running which seem to meet, to some degree, the demand. The smaller Bars obviously do not have the capacity.

The extension of pupillage to one year has placed a heavy financial burden on almost all the pupils. The committee could easily distribute R400 000 in bursaries, but until a satisfactory system of determining deserving applicants - who have some chance of successfully practising as advocates - is implemented, the committee cannot justify the increased expenditure.

The committee therefore recommends that the budget for the new year should only be adjusted for inflation. If any additional increase is to be considered, the committee feels strongly that half of the amount of the bursaries be paid to pupils only after they have passed the examination. The amounts allocated to unsuccessful pupils should then be paid to unsuccessful applicants who pass the examination.

Editorial note: The committee's recommendation was accepted by the GCB. □□

Professional ethics

PJ Olsen SC, Durban Bar

The committee was asked during the course of the year to consider a relaxation of the rule relating to receipt of remuneration during pupillage, and to consider also the admission of regional court magistrates to pupillage. The committee submitted draft amendments to the rules dealing with both these topics. As to the first, the committee supported the amendment, but as to the second (the admission to pupillage of regional magistrates), the committee was not unanimous. On this latter subject a separate

report supported by two of the three members of the committee was submitted through the Society of Advocates of KwaZulu-Natal, advancing the argument that it was inappropriate for regional magistrates to be admitted to pupillage whilst still holding office.

The committee was asked to re-draft the rules relating to pupillage to bring them into line with the new system of pupillage. However, the new system is in its infancy, notwithstanding its current implementation, and the matter of the amendment of the rules was referred to those responsible for education within the profession. Rule 8 concerns in the main matters of training, and it is uncertain whether the issue will be referred back to the Ethics Committee before an

amended rule 8 formulated by those concerned with training is put before the GCB.

An opinion by Wallis SC and others on the subject of contingency fees was referred to the committee with a request that a rule be formulated in accordance with it. The committee however experienced difficulty in formulating the rule, because, as Wallis SC points out, legislative amendments on the subject are required. In the circumstances, a draft rule was prepared for circulation to constituent Bars with a request for critical comment. No response has yet been referred to the committee.

The question of contingency fees is the only outstanding matter on the committee's agenda at present. □□

Parliamentary Committee

Report by O Rogers SC, Cape Bar

During the period 1 May 2003-30 April 2004 the Parliamentary Committee comprised Rogers SC (chair), Heunis SC, Dicker, Katz, Ntsebeza, K Pillay and De Waal. The committee, in keeping with past practice, viewed its mandate as being to examine proposed legislation that might impact on the legal profession and on the administration of justice generally.

During the year under review, 172 bills were scrutinised in the first instance by the chair with a view to ascertaining whether they would appropriately form the subject of comment. In 20 instances these were referred to various members of the Cape Bar for their consideration and report. In 13 instances written reports were submitted to either

Parliament, the relevant government department, the GCB or the SALC. On two occasions, oral submissions were made to the relevant portfolio committees (by Williams SC and Dane in regard to proposed new legislation relating to the RAF; and by Rogers SC and Jacobs in regard to proposed amendments to the Supreme Court Act).

The contribution of a number of busy members of the Cape Bar in assisting the GCB to perform this important task is recorded with particular appreciation.