

From: General Email

Sent: Tuesday, May 02, 2006 9:18 AM

To: Keith Weeks

Subject: FW: Collusion

-----Original Message-----

From: Rosenberg, David (Prof) (Summerstrand Campus South) [mailto:David.Rosenberg@nmmu.ac.za]

Sent: 01 May 2006 12:38 PM

To: General Email

Subject: Collusion

Hello

Congratulations on taking up the bank charges matter. Banks are fleecing the public particularly the poor and this has to be brought to an end

I have three other industries which I believe need to be investigated

1. The mobile phone industry. How is it possible for the charges to be R1.75 approx per minute in SA when in India the charges are fractionally above 12 South African cents per minute. There is clearly and manifestly something wrong. This is similar to the banking industry since you have a few large players who dominate the market

Once again it is the poor sector of our population who are being fleeced

2. This one is close to my heart since I teach aspirant chartered accountants.

~ When students join the auditing firms after obtaining their honours degree in accounting

the salaries they are paid are very similar regardless of which auditing firm they join. Also

the salaries are extremely low (R5500 per month in Port Elizabeth). These students are

supposed to dress professionally, buy a motor car and pay off their study loans with this

modest salary which is clearly not possible unless they live at home. My question is why

are these salaries so similar particularly since there is an acute shortage of articled clerks

in the profession. This seems to be an artificial situation which needs to be investigated

~ Once students are in their second year of articles having passed the first professional examination

which they write in the first year of traineeship, they are required to write the second professional

examination in November of that year. In order to qualify to write this examination they are required

to complete a three month course and to pass a series of tests and to hand in a

research project.

So far so good but there is only one service provider which runs this course and the students seldom

if ever fail the tests etc making this process artificial. Also the cost of the course is prohibitive given the

value which is added. This unfortunate state of affairs needs to be investigated

3 The following problem is encountered at a number of universities to a greater or lesser extent. Lecturers

write their own text books and then prescribe them for their students. Often there are no independent

book committees or other independent bodies to decide whether the text book in question is the most

appropriate text book for the students when looked at from a price / performance standpoint. This is another

conflict of interest situation which needs to be addressed

These are contentious matters and I request that my name be kept confidential at this stage. I do not

mind testifying at any enquiry at a later date in respect of all of the above

The views expressed here are my own and do not necessarily reflect the views of the accounting

department at NMMU university nor the university

Thank you

Prof David Rosenberg

David Rosenberg

"Fear no Evil"

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