

Learning to be money-smart

by Hanlie du Plessis

With the implementation of minimum wages and compulsory salary advances for farm workers, it is now possible for workers to apply for credit. Farm workers can now borrow money or buy furniture or other big items on hire purchase. Some shops, commercial banks and money lenders are eager to offer credit to people who, in some instances, cannot afford the repayments.

A worker of Dèan Kleynhans, a dairy farmer from Riviersonderend in the Cape, recently received a letter telling him that he has won a cheque for R10 000. It was not a real cheque, but an invitation for the man to apply for a loan of this amount. The worker did not understand that he needed to borrow the money from the bank and repay the money monthly.

Some businesses take advantage of the fact that workers are not always well-informed about financial matters. Dèan Kleynhans and Gert van Dyk, another farmer from the same district, asked the MPO Institute for Dairy Technology to present a course on productivity and the free market to their workers.

The instructor, Phillip Pheto, explained to the workers in their own language what financial terms such as free market, risk, production cost and productivity mean. After completing the three-day course, each candidate received a certificate and can now recognise the traps of credit.

The course also made them realise how their own actions can have an influence on the productivity and profit of the farm as a business. If you would like to attend such a course, ask your employer to contact the MPO Institute for Dairy Technology. For more information on this and other courses presented by the Institute, contact Jas Wasserman on 082 490 2465 or e-mail jas@mpo.co.za. **UM**



In the back row from the left are Sibusiso Mcaphukisi, Thobeli Shikili, Manqesi Mehlo and Elvis Xhanela. In the front are Robert and Gloria Belebese, Phillip Pheto (instructor), Albertina and Sibahle Xhanela, and Abraham Kalolo