

UNEMPLOYMENT—

1989

NOV. — DEC.

Bosses 'conspired' against workers

EAST LONDON. — A "conspiracy" by management led to the mass dismissal of an entire dayshift at Tek corporation here, it was claimed in the industrial court last week.

The claim was denied by the management.

Lawyers acting for the National Union of Metalworkers of South Africa argued that the company had introduced new rules in March last year as a ruse to delay giving Numsa recognition.

About 900 workers were dismissed from the company in April last year after they refused to agree to the new regulations.

Numsa lawyer, Eric Dane, said the union has sought recognition at the

company since July 1987.

At the time of the dismissals, the union had a 51 percent signed-up membership.

The court heard that management had refused to negotiate over the rules and that the company's Human Resources Manager, Gerry Uys, had told Numsa such meetings would "serve no purpose".

Uys had questioned whether Numsa officials represented the workers saying "his workers" were "happy", it was claimed.

Lawyers representing Tek argued that the dismissals were fair.

They said that there was no evidence to substantiate the allegation of a management conspiracy. Judgment was reserved. — ELNEWS

WORLD VISION OF SA (W. CAPE)

235

South 2-8/11/89

NATIONAL

Township unemployed hit by rent increases

by EDWARD MOLOINYANE
Staff Reporter

FEAR and anger has gripped the tiny township of Mbekweni near Paarl, where protests against the chronic housing shortage, poor living conditions, the poor state of schools and tariff increases has led to the arrest of about 142 residents since September 6.

There have also been 20 detentions under emergency regulations in the same period.

Illegal gathering

The first group arrested, numbering 76 people, were charged with public violence and after their initial appearance in the Paarl Magistrate's Court, 66 schoolchildren (including several minors) who went to listen to the case, were arrested as they left the court.

They were charged with attending an illegal gathering, according to the local advice office.

A worker at the advice centre, Ms Chantel Fortuin, said all the defendants were now out on R100 bail.

Mr Stanley Jacobs, of the Mbekweni Civic Association, said residents, the majority of whom were unemployed, had many long-standing grievances which were submitted to the town committee long before the tariff increases were implemented.

Community demands included:

- The provision of affordable houses to alleviate the huge housing shortage;
- The supply of electricity to all households;
- The tarring of streets and;
- The repair of schools, some of which did not have windows and had not been painted for ages.

"But on all the occasions that we went to the committee's offices, the secretary told us that he was just an employee of the committee and could do nothing," Mr Jacobs said.

He said the last straw came at the end of August when the committee, which had been expected to attend to the original complaints, increased rentals and service charges by up to 140 percent without notice.

"They immediately switched off electricity and stopped refuse removal in order to make us pay. But there is no way, even if we wished, we can pay such crazy amounts as the majority of residents in this township do not have jobs."

Discussions

He added that although the seven-member committee, which included a member of the South African Police and a Prison Warder, had not been elected, residents were prepared to deal with it "if they had our welfare at heart".

One of the old residents, Mr Holiday Sikota, 68, said the old municipalities were "better" because before increases were implemented, residents were

called to the community hall discussions.

An Anglican priest, the Rev Andrew Hunter, said the incidents of violence were a "direct" result of the actions of the security forces and kits-konstabels.

Also hit by the increases is the nearby squalid shanty town called "Silver Town" which houses more than 800 families in an area planned for 400.

One of the residents, Mr Thobile Moshoeshe, 29, said the rental, which had been R7,85, had now been increased to R13,95.

Mr M J Steyn, secretary for the Mbekweni Town Committee, said the turmoil in the township "definitely had nothing to do with the increases" as these had been implemented in the whole of Paarl, including the white town.

He did not know about grievances.



Picture: EDWARD MOLOINYANE, The Argus.

UNEMPLOYED: Mr Thobile Moshoeshe, one of the many unemployed residents of the shanty settlement known as "Silver Town" in Mbekweni.

Fund for retrenched workers at Eskom

By Drew Forrest

Eskom and the 15 trade unions it recognises have agreed on a unique self-help scheme for workers retrenched in terms of the electricity giant's "down-scaling programme".

In terms of the agreement announced yesterday, seven union and seven management representatives are to administer a R1 million fund which will help workers start their own income-generating projects.

Possible forms of assistance include cash grants, loans and technical and managerial advice. The viability of projects will also be investigated.

Eskom has provided the initial finance, but the unions may contribute either in cash or kind — for example, through skills training.

In a joint statement, Eskom and the National Union of Mineworkers said all Eskom employees retrenched since January 1 were eligible. Applications would be accepted until December 31 1991.

The statement said the scheme was not open to employees voluntarily accepting a separation package. About 900 workers currently qualify.

Eskom's personnel manager, Dr Gert Dry, said the management-union governing body would evaluate the best use of the fund.

Eskom and the unions viewed the undertaking as "breaking important new ground in response to the problem of retrenchment in South Africa".

Eskom, NUM^{CMT} agree^{Tmt's} on trust fund^{3/11/89}

JOHANNESBURG. — Eskom and the NUM have reached agreement on the establishment of a trust fund, financed initially by a R1m Eskom contribution, to facilitate self-help projects for approved applicants among 900 employees forcibly retrenched since the beginning of the year.

In a joint statement this week, Eskom and the NUM said they viewed this undertaking as breaking important new ground in response to the problem of retrenchment in SA today.

A union official said the union would encourage NUM members among the affected ex-employees to fit into its broader programme of co-operative development in which the main thrust was the production of materials for, and construction of, low-cost housing.

The agreement arose from the shutdown or mothballing of 13 power stations announced a year ago which was expected to cost 5 000 jobs. The majority, to whom the scheme did not apply, took a voluntary retrenchment package.

JOBLESS MARCH FOR MEDICAL CARE

UNEMPLOYED people needing medical treatment will present themselves to five hospitals in the PWV region today to highlight the plight of the unemployed who do not receive free treatment.

National Medical and Dental Association spokesman Max Price said yesterday the targets for this campaign were the Johannesburg, Boksburg-Benoni, Germiston, Kempton Park and Far East Rand hospitals.

In a statement released by health organisations yesterday, it was stated that the patients who were unemployed and unable to afford medical fees would expect to be treated free.

The organisations, which included Namda, the National Education Health and Allied Workers Union and the SA Health Workers Congress said they endorsed the demand of the Unemployment Workers Co-ordinating Committee for

EDYTH BULBRING

free medical care.

"We are committed to the principle that no-one should ever be denied access to health care for financial reasons. We trust they will not be turned away from the hospitals today, or subsequently," the statement said.

Price said the position at present was that the unemployed could receive medical treatment after paying R5, or receive free treatment after going through a long and arduous process which required, among other things, authorisation from the superintendent.

While those who could not afford treatment were not turned away, medical bills were forwarded and followed up by debt collectors, Price said.

Government hospital spokesmen were unavailable for comment yesterday.

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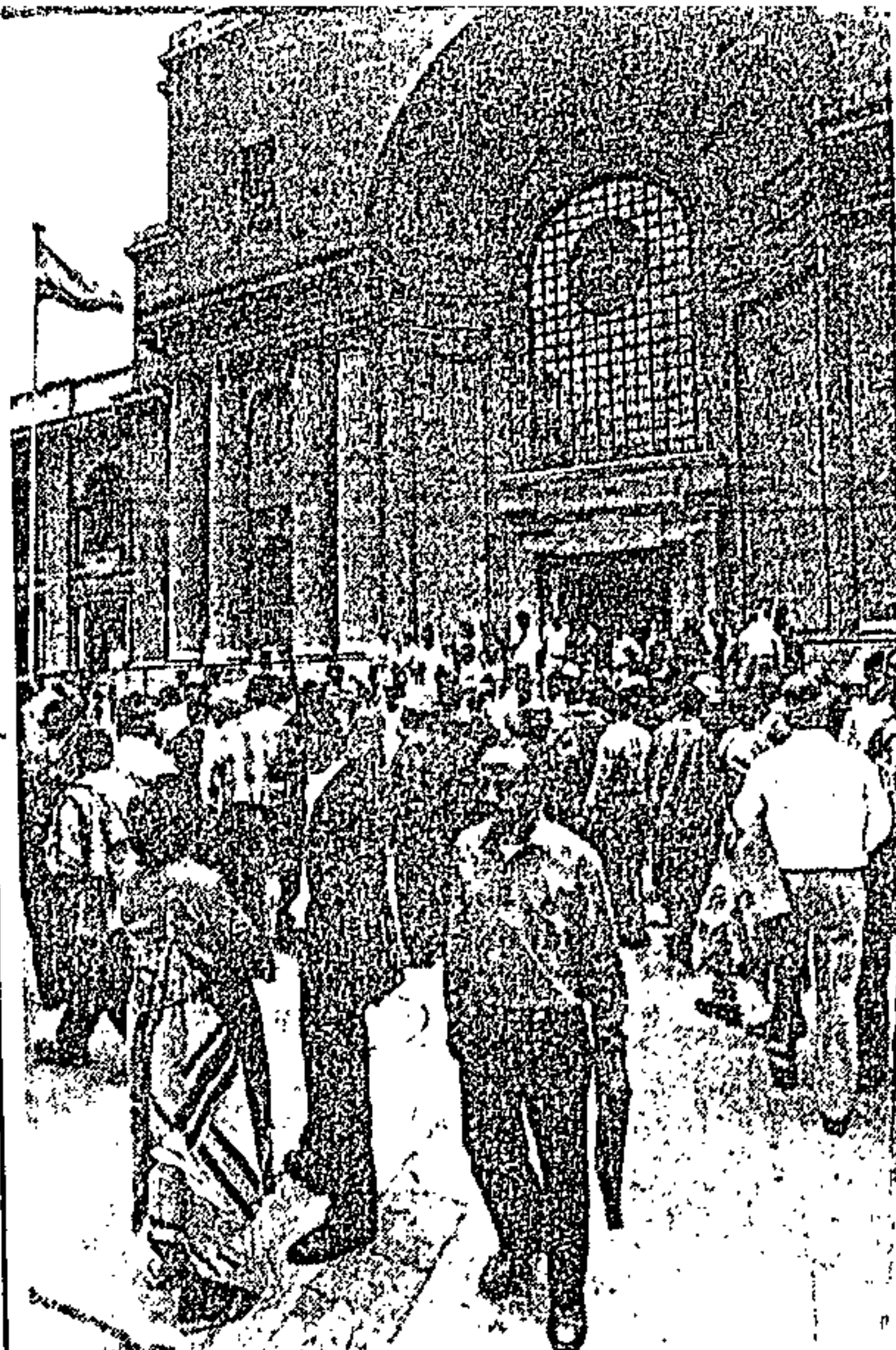
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Dismissed Haggie Rand workers outside the Rand Supreme Court yesterday before the urgent application against them. *B/Dry* ~~1989~~ Picture: REUTERS

NUM fights ejection bid by Haggie Rand

15/11/89 SUSAN RUSSELL ~~1989~~

HAGGIE Rand Ltd brought an urgent application against the National Union of Metal Workers of SA and 92 dismissed employees in the Rand Supreme Court yesterday in a bid to have the workers removed from a company hostel in Germiston.

The urgent application was opposed by the union when the matter went before Mr Justice G Leveson.

It was subsequently agreed between the parties that a rule would be issued against the workers and union but the company did not ask for an interim order.

Mr Justice Leveson then issue a rule nisi calling on the union and the dismissed workers to show cause on November 28 why an order should not be made declaring their dismissal on October 23 lawful and ejecting them from the hostel. *(335)*

In an affidavit Haggie Rand's personnel manager David Redelinghuys said workers were dismissed after taking part in an illegal strike following a dispute over an overtime ban.

A total of 232 employees were dismissed on October 23, Redelinghuys said, and the 93 workers named in the application were part of this group.

He said the company had lawfully terminated the employees' employment and they were in unlawful occupation of the hostel.

About 200 workers who had come to attend the application gathered outside the Rand Supreme Court yesterday morning.

They were allowed into the building in single file. Police confiscated a number of placards.

NATAL UNREST DEATHS

September 1987 to January 1989:.....	668
February 1989 — November 13 1989:.....	311
Past 24 hours' official toll:.....	4
TOTAL:.....	983

Sats fires hundreds of striking workers

51 Day 16/11/89
SATS management continued firing striking workers for failing to respond to return-to-work calls in the Transvaal and Durban yesterday.

And it appeared the two-week old strike by at least 20 000 had spread to the Western Cape.

Sats spokesman Alan Lubbe said Sats dismissed an additional 522 striking workers yesterday — 46 in Natal and 476 in the Transvaal — bringing the number of dismissals countrywide since Tuesday to 672.

The organisation sacked 150 workers from the Sentra Rand, Springs and Langlaagte complexes after issuing ultimatums on Tuesday.

ADELE BALETA

More workers were fired from Sentra Rand, Durban and Johannesburg catering departments, and the Transvaal Road Transport Harmony depots yesterday.

The sackings would continue this week, Lubbe added.

He said there were "rumblings" of strike action in the Western Cape, but no definite reports of action had been received.

SA Railway and Harbour Workers' Union (Sarhwi) general secretary Martin Sebakwane confirmed the reports but could give no further details.

Management said it was still consider-

ing new proposals by the workers' representative committee for negotiations aimed at ending the dispute.

A meeting scheduled between the two parties failed to take place on Tuesday.

Although Sats was talking to workers on the ground "when we have the chance", there had been no talks with the committee, and the company would not negotiate salaries, Lubbe said.

It was "sad" management was resorting to dismissals at this stage, as it was ignoring the massive support for demands for increased wages and improved working conditions, Sebakwane said.

□ To Page 2

Sats strike

He alleged a striking worker was shot in the hand by a white Sats employee after the two men alighted from a train at Jepp Station yesterday.

Management claimed another two coaches were destroyed by fire yesterday at Katlehong and New Canada stations. The estimated cost of damage to motor and suburban coaches since the start of the strike was R9m.

Sebakwane said he had no knowledge of a report that harassment of some passengers, plus incidents of stone-throwing involving Natal South Coast train services, caused police to provide protection on some trains operating in the area.

Our Durban Correspondent reports that police have in fact placed armed guards to

to protect passengers on Natal South Coast train services who have been harassed during the past few days.

A police spokesman said yesterday incidents of stone-throwing were also involved. He added that a young girl was also reported to have been sjambokked by an unknown person near Warner Beach Station, but police were unable to identify the girl. 51 Day 16/11/89

After receiving requests from frightened commuters, police decided to provide protection to stop the harassment.

Police appealed to anybody who could provide information about the whipping incident to contact their nearest police station.

□ From Page 1

Unemployment could rise by 44%

PRETORIA — SA's drastic unemployment would rise to 8-million, or 44%, by the year 2000 if the economy continued to develop along current long-term rates, according to projections.

This was said here yesterday by Herbert Quandt (German) Foundation executive director Horst Avernarius in a keynote address at a Unisa conference on workers.

Sanctions could increase the unemployment figure to 10-million (55%) or even more.

"This means that at least

4-million to 6-million jobs have to be created in the years ahead only to maintain the present unemployment figures."

SA had a more than plentiful load of social political and economic problems, he said.

Among them were a huge population growth among blacks and large discrepancies between different population groups in the fields of formal education and employment skills.

Unemployment was drastic and there was a rapidly growing need to

create jobs, he said.

Other problems confronting SA were huge disparities in income and wealth, not only between the racial groups but also between different regions, and increasingly difficult relations between unions and industrial companies.

Diminish

High inflation and large budget deficits were other areas of concern.

Avernarius said all efforts to diminish and finally resolve these problems centred around the problem of how to meet the social, political and economic needs and demands of the various population groups.

This had to be seen against a background of the

limited potential of the SA economic situation, which was hampered by the pressure of sanctions debates, disinvestment campaigns and unsolved racial problems.

"Obviously the efficient functioning of the economy and the achievement of growth rates similar to or possibly higher than the population growth rate have to be prime targets if there is to be a fair chance of providing sound economic basis for the necessary changes," he said.

Answers would have to be found from within SA and with specific regard to the problems and needs of the country and its people, although other countries' experiences were helpful.

Privatisation: 40 000 jobs lost in public sector

CAF-Trents 20/11/89
Own Correspondent

JOHANNESBURG. — More than 40 000 public corporation jobs, 2,4% of the public sector have been eliminated by privatisation, most since March 1989, says the latest quarterly Central Statistical Service (CSS) survey of employment.

The survey, to June 1989, says public corporation employment has dropped by 23,5% since June 1988 and 22,3% since March 1989.

Public corporations are defined as enterprises in which the State has a majority interest and their subsidiaries. It excludes Sats and the Post Office.

Dramatic drop

The CSS figures show an immaterial decline until the quarter ending March 1989, which saw 173 652 employed, then a dramatic drop to 134 833 at the end of the June quarter. These figures do not reflect the period in which Iscor was privatised.

A feature of the figures is that the job reduction has been racially uniform: the proportions of whites and blacks employed by public corporations at June 1988 are virtually what they were at June 1989.

However, the wage bills of blacks, measured as a proportion of the total public corporations' wage bills, have risen slightly by 1,4%, while the white wage bill has dropped by about 2%.

Declining numbers

The overall wage bill is down by 14,75% from June to June, representing an annualised saving of R550 272 in wages and salaries alone.

Most sections of the public sector show signs of declining numbers and wage bills and rising vacancies, except for civil services of the homelands. There the wage bill has risen 39,2% on a 9,27% employment increase in the June to June period.

In the public sector as a whole, including universities, technikons and agricultural marketing boards, employment has decreased by 1,2% since June 1988 and 0,7% since the quarter ending March 1989.



Unemployed march through city streets

Cape Times 25/11/89 338

BY YVETTE VAN BREDA

ABOUT 600 chanting unemployed people and striking workers marched through the streets of Cape Town yesterday to hand over a petition with about 5 000 signatures to an official of the Department of Agriculture.

The marchers were protesting against rising food prices, sales tax, and low incomes.

The march was organised by the National Unemployed Workers Co-ordinating Committee (NUWCC) in conjunction with the Mass Democratic Movement.

A police spokesman said the march had been approved by the Chief Magistrate of Cape Town.

The march was supposed to take place at noon yesterday, but after some confusion about where the march would start, it only got underway at 1.45pm from Kaizergracht in District Six and proceeded to Customs House on the Foreshore.

Placards read: "We need jobs, not prices", "Bread at prices we can afford" and "Down with the wage freeze,

forward to a living wage".

Escorted by police and traffic officials and followed by a large contingent of police vehicles, the marchers sang as they toyi-toyed along Civic Road, Hertzog Boulevard and into upper Adderley Street until they reached Customs House. Traffic along the way was stopped for them to pass.

There, by prior arrangement, they were met by the regional representative in the Department of Agriculture, Mr F J Venter, who accepted the petition.

It contained demands for the bread price to remain low, for all basic food prices to be frozen, for sales tax to be removed from these products and for a living wage for all.

Mr Venter said he would hand the petition to Agriculture Minister Mr Jacob de Villiers.

The marchers sat down for a while and then sang Nkosi Sikelel' i Afrika. Some went to the nearby bus station, but about 400 marched to the railway station, ignoring police orders to walk on the pavement.

ABOVE: Hundreds of unemployed thronged the streets of Cape Town in a legal march yesterday protesting against high bread prices, general unemployment and for basic food prices to be frozen. BELOW: A protest marcher hands a petition to the regional representative of the department of agriculture, Mr F J Venter, at Customs House on the Foreshore. Mr Venter told the organisers he would forward the petition to the Minister of Agriculture, Mr Jacob de Villiers.



More Sats workers fired as talks go on

ADELE BALETA

TALKS between Sats and the SA Railway and Harbour Workers Union (Sarhwu) yesterday failed to end the national wage strike by about 18 000 workers.

Sats said workers who ignored return-to-work ultimatums would continue to be fired.

Sats spokesman Alan Lubbe said last night various proposals aimed at resolving the strike were tabled by both sides at two meetings yesterday. "The meetings failed to resolve the strike, but talks are due to continue," he said.

He refused to divulge details of the discussions but said there was a possibility new proposals would be put forward by Sarhwu representatives. Union comment was unavailable late yesterday.

Lubbe said 112 employees were fired from Sats road transport depots in Durban and the Southern Transvaal yesterday, bringing the total number of workers dismissed countrywide to 2 929.

"Dismissals are a slow procedure but we will continue with them," he said.

A total of 840 workers had returned to work. On Monday 1 032 employees in Kimberley had resumed duties, leaving 49 Sats workers on strike in the town, Lubbe said.

Railway ticket examiner J. Grobelaar, who was set alight on Monday, allegedly by a group of people believed to be linked to the Sats strike, was in a stable condition at Kenridge Hospital, Lubbe said.

A suburban coach was destroyed by fire late on Monday at Mzimhlope station in Soweto.

Union warns of looming Consol disputes

THE Chemical Workers' Industrial Union (CWIU) warned yesterday of two major disputes looming with the Consol Group, at which the union claims to represent 3 000 employees at 11 plants.

CWIU national organiser Meshack Ravuku said the company had notified the union it planned to retrench 100 people at its Germiston plastics plant.

The second dispute, he said, revolved around Consol's refusal to recognise the union at its Dimbaza, Ciskei, plant.

A Consol spokesman said the Germis-

ALAN FINE

ton retrenchments had become necessary due to a major stock build-up brought about by an attempt to circumvent retrenchments. The build-up had reached unacceptable levels, and demand for building industry products and other lines had declined. (335)

With regard to the Ciskei dispute, the spokesman said Consol's inability to recognise the union had been confirmed after discussions with the territory's Manpower Minister. (11/11/87)

International aid is sought on sackings by L & M Radiators

(335) ALAN FINE (1984)

NUMSA has called for an international campaign to pressurise US multinational L & M Radiator Inc into ordering the reinstatement of 21 members dismissed by its Rustenburg-based subsidiary after the September 6 work stayaway.

The union wrote this week to the International Metalworkers' Federation in Geneva asking that affiliates in the US, Canada, Australia and Mexico, where L & M has other operations, "exert maximum pressure on the company to reinstate the dismissed workers".

Correspondence with L & M released yesterday by Numsa showed local L & M manager Johan de Kok had objected strongly to the political nature of the action. Soon after the dismissals he offered to take back some of the workers provided they renounced union membership.

De Kok yesterday confirmed this stance. He said some had been re-employed. But, he added, "there will never again be a union in this firm".

Included in the correspondence is a letter from L & M executive vice-president Richard Braun in which he said the stayaway was "not the action of a trade union but the action of a political organisation. Our company is not involved in politics and does not intend to be." 8/Dec 29/11/89

Fired after legal strike

ABOUT 360 workers were fired from the Bokomo Border Roller Mill in Aliwal North this week after they downed tools in a legal strike.

The workers were demanding a R40 across the board increase. Management offered R18.

About 420 bakery workers went on strike in the Border region following deadlock in annual wage negotiations.

The strikers are all members of the Food Workers' Council of South Africa — a breakaway from the Food and Allied Workers' Union which recently obtained a court order restraining the new union from operating under the name "Fawu East Cape".

Meanwhile, in Queenstown, charges have been dropped against 58 Albany bakery workers arrested last Thursday.

A company spokesperson said all workers had returned to work following an agreement reached between the bakery and the union in terms of which the workers will receive a R21 across the board increase on the weekly wage backdated to July and a further R7 next year.

Settlement was also reached at Albany bakery in Grahamstown where workers last week took part in a sit-in at the company premises.

The workers agreed on Tuesday to accept a R22 across the board increase backdated to July with a further R5 from April next year.

South 50/11 - 6/12/89

SA entering second industrial revolution - Bozzoli

Jobs in danger

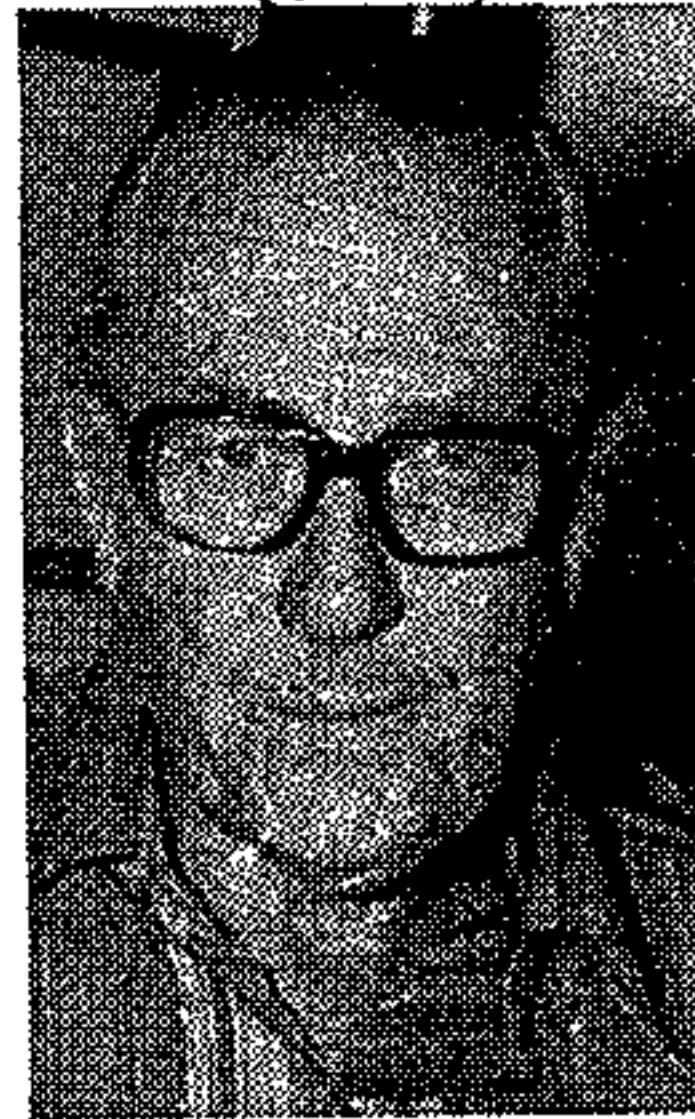
Savellu 30/11/89

MORE and more semi-skilled workers are being "given the chop" in industry as South Africa enters the "second industrial revolution."

Professor Guerino Bozzoli the former vice chancellor and principal of the University of the Witwatersrand said this to graduands of the Mangosuthu Technikon at Umlazi in Durban yesterday.

Bozzoli who was the first chairman of the Technikon Council, was the guest of honor at the diploma awarding ceremony.

He said automatic machines and computers have virtually replaced the semi-skilled worker in South Africa.



Bozzoli

"This means that the need for operatives is falling away," he said.

"That is to say that semi-skilled persons will be required less and less in industry. This can be looked upon as the second industrial revolution.

"The first industrial

revolution more than 200 years ago relieved men from the drudgery of manual labour by giving them power operated machinery to lift, pull, dig and carry," Bozzoli said.

The second industrial revolution has relieved workers from the drudgery of uninteresting mental tasks involving calculation, recording, sorting and retrieving information manually.

"This means two things. First there will be fewer jobs for semi-skilled workers, and secondly, the demand for highly skilled and trained persons will increase enormously.

"As industry modernises, the role of the technician becomes more and more important," he said.

BY LEN MASEKO

A SPRINGS company has dismissed an employee for allegedly wearing an overall with the words "I am black and proud like Mandela" emblazoned on it.

But Amalgamated Plastic Industries management has refused this claim.

The company says the worker, Mr Ishmael Ramothibe, was fired

Man fired 'for writing Mandela on overall'

"because he had defaced company-owned property".

The company on the grounds that Ramothibe was unfairly dismissed.

The National Union of Metalworkers of South Africa, which represents Ramothibe, said their member was accused by management of "defacing company property" before he was dismissed.

Now the union has declared a dispute with

The case is to be taken to the industrial council of the engineering sector.

The company spokesman Mr Peter Hewitt, said the matter was to have been heard in the council yesterday but was postponed after a mix-up.

A Numsa official,

who was supposed to have represented the worker, arranged two

appointments and failed to attend our meeting," he said.

The two parties are expected to meet again next month.

6975

Strikers dismissed

MORE than 150 members of the National Union of Metalworkers of South Africa have been dismissed by a Benoni company after taking part in a strike apparently triggered by racial conflict within the firm.

Racial tension at Astas company has apparently led to occasional fights between black and white employees on the shop-floor, according to Numsa official Mr Alfred Woodington.

But Astas management denies that there is "such a thing" as racial strife in the company.

He said relations between the two groups went sour this month when a white worker allegedly

By LEN MASEKO

assaulted a black colleague.

The white employee was subsequently fired by the company.

"Even then, our members had to take part in a brief work stoppage to force management to haul the man before the disciplinary hearing," Woodington said.

He said the union was in possession of a derogatory pamphlet titled "Die Kaffirs se Psalm 27" allegedly distributed by a white employee on the plant.

He said the company's white workforce, angered by the dismissal of their colleague, petitioned

management to take action against the employees who participated in the stoppage.

As a result, he said, 15 Numsa members who already had final warnings for previous offences were sacked.

The Numsa official said: "The dismissal of the 15 workers led to a strike by their fellow union members on November 22.

"More than 150 strikers have now been dismissed by the company."

Numsa demands the unconditional reinstatement of its members. But the company intends only re-employ some of the workers in January next year, according to the union.

Numsa has called for a meeting between itself and the East Rand Ysteren Staal Vakbond, a union which represents Astas' white workforce to discuss racial tension between their members.

The Cosatu affiliate has proposed that the two parties and management establish a joint committee to deal with racial prejudice on the plant. Management has rejected the proposal, Woodington said.

Astas human resources manager Mr Piet Kruger said management was not aware of any racial strife within the company.

"We have a system through which grievances are channelled inside the company," he said.

1/12/89
Sowetan

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End to SAB dispute is closer than that of Sats

PROSPECTS for a settlement of the SAB dispute seemed more favourable than an end to the Sats strike, after further talks yesterday between management and worker representatives at each of the corporations.

SAB beer division MD Graham MacKay confirmed yesterday a "very delicate sort of mediation" was in progress.

Food and Allied Workers' Union (Fawu) officials and SAB industrial relations personnel have been unavailable to the media for the past two days. MacKay said it had been decided not to publicise the meetings so as not to raise expectations.

Proposal

He said, however, that "things were looking more hopeful than they had done for a while". He did not expect any decisive developments until early next week. Fawu could not be reached for comment.

Sats yesterday tabled a proposal to the SA Railways and Harbours Work-

ALAN FINE

ers' Union (Sarhwu) during a one-and-a-half-hour meeting conditional upon a return to work by noon next Tuesday.

The proposal contained an undertaking that no further employees would be dismissed. The cases of the more than 5 100 already dismissed would be referred to arbitration. It also laid down conditions for recognition, including registration, representativeness and the conclusion of a recognition agreement.

The proposal excluded the possibility of negotiations on wages and other issues.

A Sats spokesman said management had made a major concession in that the arbitrator would be entitled to consider the fairness of the dismissals — an issue not covered by the law governing Sats.

Sarhwu general secretary Martin Sebakwane said a final decision on the proposal would be made by workers by Monday. However, he said,

"we are looking for something substantial to take to the workers, but we see nothing".

He said the proposal was flawed by the fact that Sats made recognition a bargaining chip. The union had applied for registration and was substantially representative, so this was no concession.

Management, he said, was attempting to divert the dispute away from the substantive issues — wages, disciplinary issues and privatisation. He said there was no objective reason that some strikers should be dismissed and others not.

Threat

Sebakwane expressed concern that Sats planned to use the dispute as a pretext for trimming staff as a prelude to privatisation. "If Sats wants to retrench, it should do so openly under the heading of privatisation."

He said prospective private sector investors in Sats should think twice about committing their money to a company whose labour practices were a threat to profitability.

8/Dec 11/12/89

43 jobless created 500 jobs

335

A GROUP of 43 entrepreneurs who were either unemployed or retrenched at one time, are this month celebrating their feat in creating 500 jobs under the Job Creation SA scheme started three years ago.

The objectives of Job Creation, established in 1986, was to find people with entrepreneurial ability and help them succeed.

The target was to create 500 permanent jobs through assisting in the establishment of small businesses.

Job Creation, the first organisation to make use of the Temporary Removal of Economic Restrictions Act through Enterprise Centre in

THEO RAWANA

Kew, is at the forefront of the small business deregulation lobby.

The entrepreneurs, whose businesses range from security services to interior decoration, have been assisted in planning, market research, costing, marketing, finding suitable premises and in several other related and non-related fields.

Failed

Job Creation MD Ian Hetherington said this week that only two of the 87 entrepreneurs involved in the project had failed.

"The first 43 achieved the target number of jobs. Once the others

have been operating for two years, we expect more than 700 jobs to have been created.

"By finding gaps in the market, the entrepreneurs — many from disadvantaged backgrounds and 90% of whom started without outside finance — have shown what imagination and hard work can do."

Former security guard Tsombana Ngoyakhe, 57, who was retrenched three years ago, now runs his own security service — July Guards — which employs 108 people and operates in seven townships.

"My 'starting capital' was just the idea I had," said Ngoyakhe.

"But if you believe in your idea and have professional guidance, you will succeed."

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Ammunitions workers laid off as war ends

By EDDIE KOCH

WORKERS at a bullet factory in Pretoria are enraged because the company, faced with a downturn in business since the end of the war in Angola and Namibia, has retrenched most of its labour force.

Pretoria Metal Pressing (PMP), said to make 7,62mm bullets for R4 rifles as well as shells for anti-aircraft guns, has informed half of its 800-strong workforce they will be laid off at the end of November. The other half will go at the end of March.

Worker representatives told the *Weekly Mail* the decision to retrench the staff was announced by management of the Armscor subsidiary on Tuesday night without any consultation. The employees will receive a severance package that includes a minimum lump sum of two months wages and pension payouts.

"It's unfair," said a worker. "During the wars we were forced to work overtime. We often did cross-nights, working for 24 hours at a time. Now we are being discarded."

He said many workers had worked for up to nine years as temporary labour and would not qualify for severance pay because the firm had not registered them as permanent staff.

Under the Labour Relations Act forced overtime and the use of temporary workers on a continuous basis would be declared unfair labour practices but the company is excluded from the law by the Armaments Act.

Nick de Villiers, of the Legal Resources Centre in Pretoria, said workers had received a letter "in the most high-falutin Afrikaans" two weeks ago informing them of PMP's plans to retrench and were told on Tuesday night that half of them would go by yesterday.

Building a business from scratch

(From page 1)

The shack and shop expanded into a mini-supermarket and they and their three children now live above the shop.

A year ago he got a franchise to sell Coke, a product with high demand but "not much profit," he says.

Fellow traders suspect his profit could be better if he did not have to compete against the company's own trucks selling cold drinks directly to his customers.

However, Mr Mbauli manages to sell 10 000 cases a month. His record was 8 000 cases in one week last December.

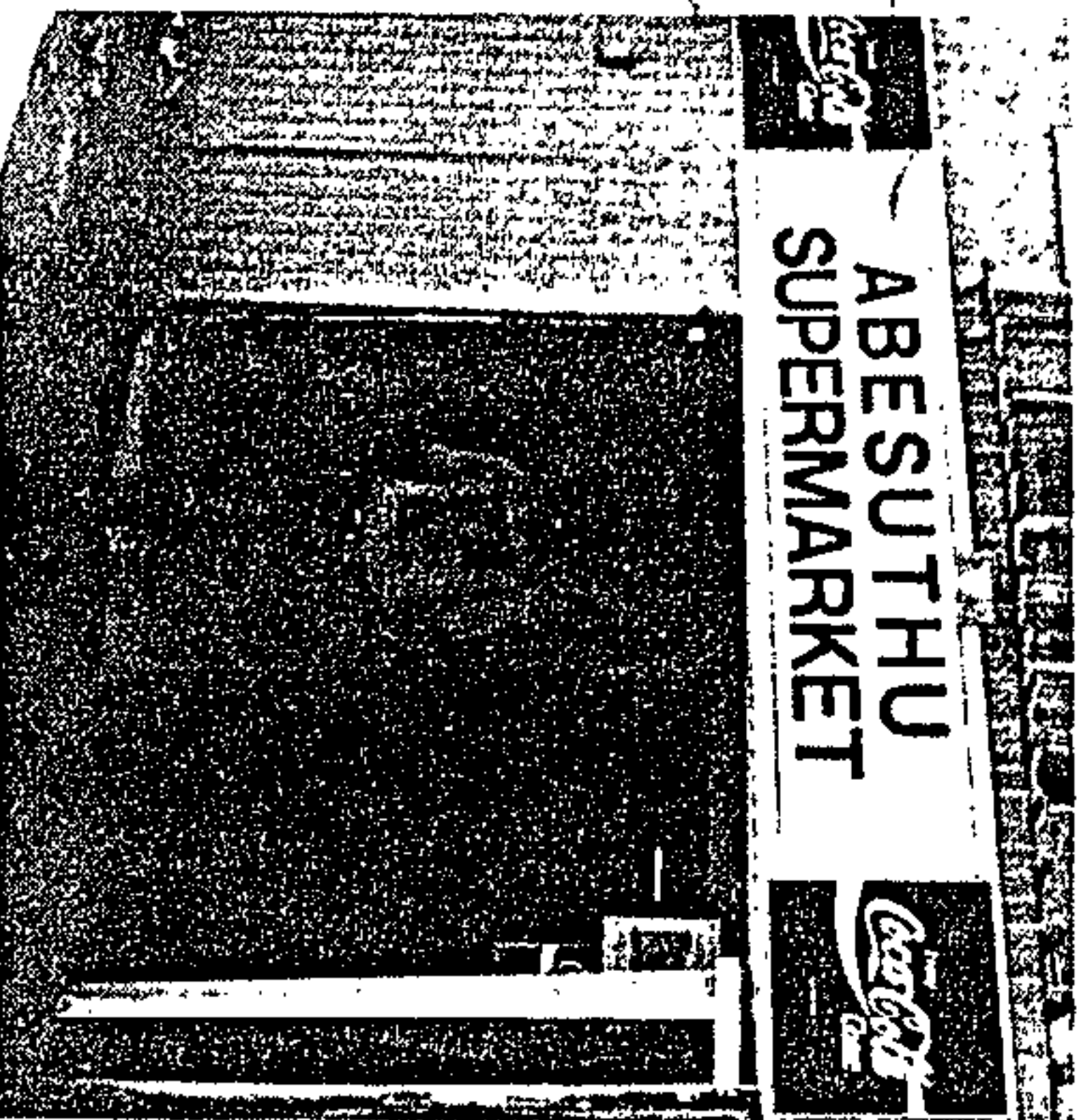
Empty bottles and containers are stored in his "warehouse" — the street, with little security. A theft means he must sell 17 cases to recover the cost of one case.

For all his efforts, Mr Mbauli finds time to help local soccer and fellow traders — but to an outsider, this looks like a kind of self-protection. He financed Site C United FC — buying jerseys, shorts and boots — after being "leaned on" by town councillors.

He was also a founder of KHABA, the Khayelitsha Business Association, in September — again with the aim of negotiating better conditions for local businesses with the town council and getting better deals from suppliers as competition from white and Indian capital began to be felt.

Uplifting the standard of local business people through business skills training is a most important aim of KHABA, as a result a close relationship has developed between Theo Rudman whose self-employment institute undertakes basic practical business skills training in the townships.

Fifty-five traders went to the initial first meeting and 54 joined. The association has grown to 250 trader-members in a few weeks and Mr Mbauli hopes it will reach a powerful group of 1 000 within six



MR Victor Mbauli outside his supermarket in Site C Khayelitsha.

months. With Khayelitsha's population estimated at 600 000, he sees this as a good possibility.

KHABA has a passport-type membership card containing each member's photograph for identification. Members decided on a logo of a baby crawling — "that is what we are in business, we are learning to grow. Not many business people are willing to admit they can learn."

KHABA has also taken on a social responsibility to raise the whole standard of the community. Even people outside Site C are calling and asking members to provide work.

"We need more business sites for stalls in locations that can provide business so that people can work for themselves. We are trying to work with the councillors about this."

Mr Mbauli received only a standard seven education in the Transkei and built his business without assistance or capital. He is self-taught and is attending business skills courses.

Biggest gripe of KHABA members is lack of freedom to create a business and growing competition from outsiders, be it from Guguletu or Cape Town.

They believe trading rights in Khayelitsha should be reserved for the local people, a policy apparently shared by the local council.

"When Khayelitsha was created, we thought these small businesses would grow and some would become big businesses like Pick 'n Pay," said Mr Mbauli.

A colleague said: "We have never been exploited so much as now. White business people have discovered how many thousands live here and see it as a new market to exploit to make up for falling sales in the white areas. They want to come in and clean up."

Outsiders, they claim, are going in and using blacks as "fronts".

"We are not sure how much is genuine partnership and how much is fronting. They are not coming to help us. They are coming to oppress us. We cannot compete with people with money who can put up better buildings."

KHABA members feel so strongly that they plan to seek a meeting with the appropriate authority and put their case, said Mr Mbauli.

While voices elsewhere are calling for the ending of the Group Areas, KHABA supports the opening of white areas but not the opening of black business areas — "the outsiders would be too strong for us to compete," says Mr Mbauli.

Building a thriving business from scratch

By TOM HOOD
Business Editor

RETRENCHED from his job as a building labourer, Victor Mbauli decided he would not dip into his last pay packet and spend money on train and bus fares to try and find another job.

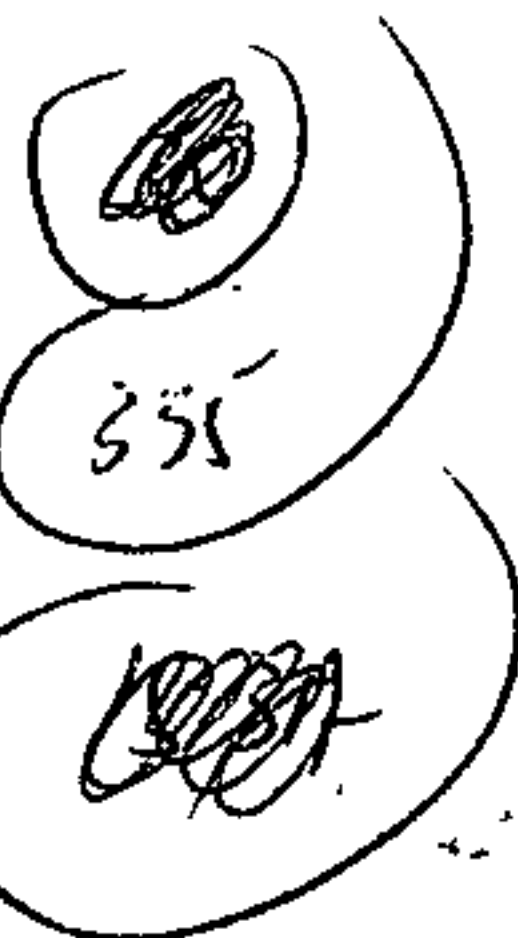
Instead, he ploughed his last few rands into buying stock for the tiny shop his wife ran in Khayelitsha's sprawling Site C.

Now, after four years of seven-day weeks — usually 15-hour days — the business has grown into the well-stocked Abesuthu supermarket with proper tills, record books, fridges powered by his own generator, and nine employees.

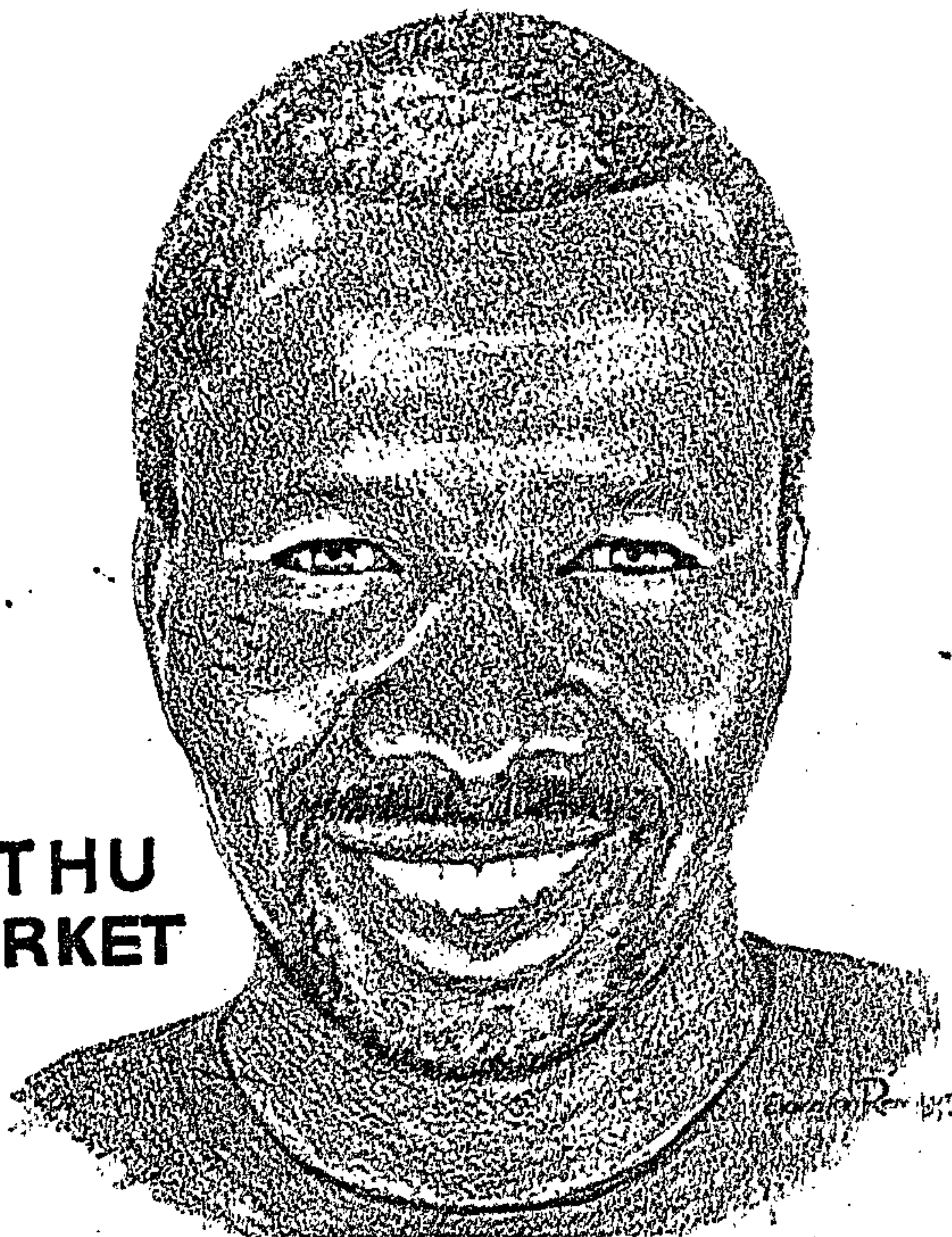
Grown so well, moreover, that 34-year-old Mr Mbauli is moving into a new R79 000 house and thinking about buying a R130 000 business site in Khayelitsha.

That 649 m² business site, incidentally would cost him R200/m² — more than treble land prices in the more classy neighbourhood of Tokai (R62) and double those of good

w/k Area
2/12/89



ABESUTHU SUPERMARKET



Victor Mbauli... from labourer to profitable trader.

parts of Grassy park (R82).

His housing site of about 150 m² costs R9 000 — at R60/m² slightly cheaper than Tokai.

He came to Cape Town

from the Ciskei 16 years ago and worked with one building company most of the time.

Business began with R200 of stock — and his wife Nozuko ran it from their shack.

They have been in Khayelitsha right from the beginning in 1985.

"I earned R56 a week and it was a big job to get the R200 together." (See page 3)

Sats fires more strikers

SA 31/12/87 By ANDREW GILLINGHAM

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SATS strike violence has diminished over the Christmas period but more strikers have been dismissed.

Sats spokesman Ian Bleasdale said that altogether 22 380 strikers had been paid off and R20,5-million in wages had been lost.

Damage from violence during the strike is estimated at R39-million. But Mr Bleasdale said Sats was hopeful that the strike would be resolved early in the new year.

Potch poultry workers fired

Man asked to clean sewerage - claim

By LEN MASEKO

ABOUT 400 workers have been dismissed by a Potchefstroom poultry company after participating in a work stoppage.

The workers, all members of the Food and Allied Workers Union (Fawu), were fired by Chubby Chicks management on November 23 - the same day they downed tools to protest against the alleged dismissal of an employee.

Tough

Fawu official Mr George Nene said the company also got tough with its union's members by evicting them from their homesteads on the company-owned poultry farm.

Talks between the company and Fawu are continuing.

The company is prepared only to re-employ some of the

workers but the union has rejected the offer, Nene said. The union wants the entire workforce to be reinstated.

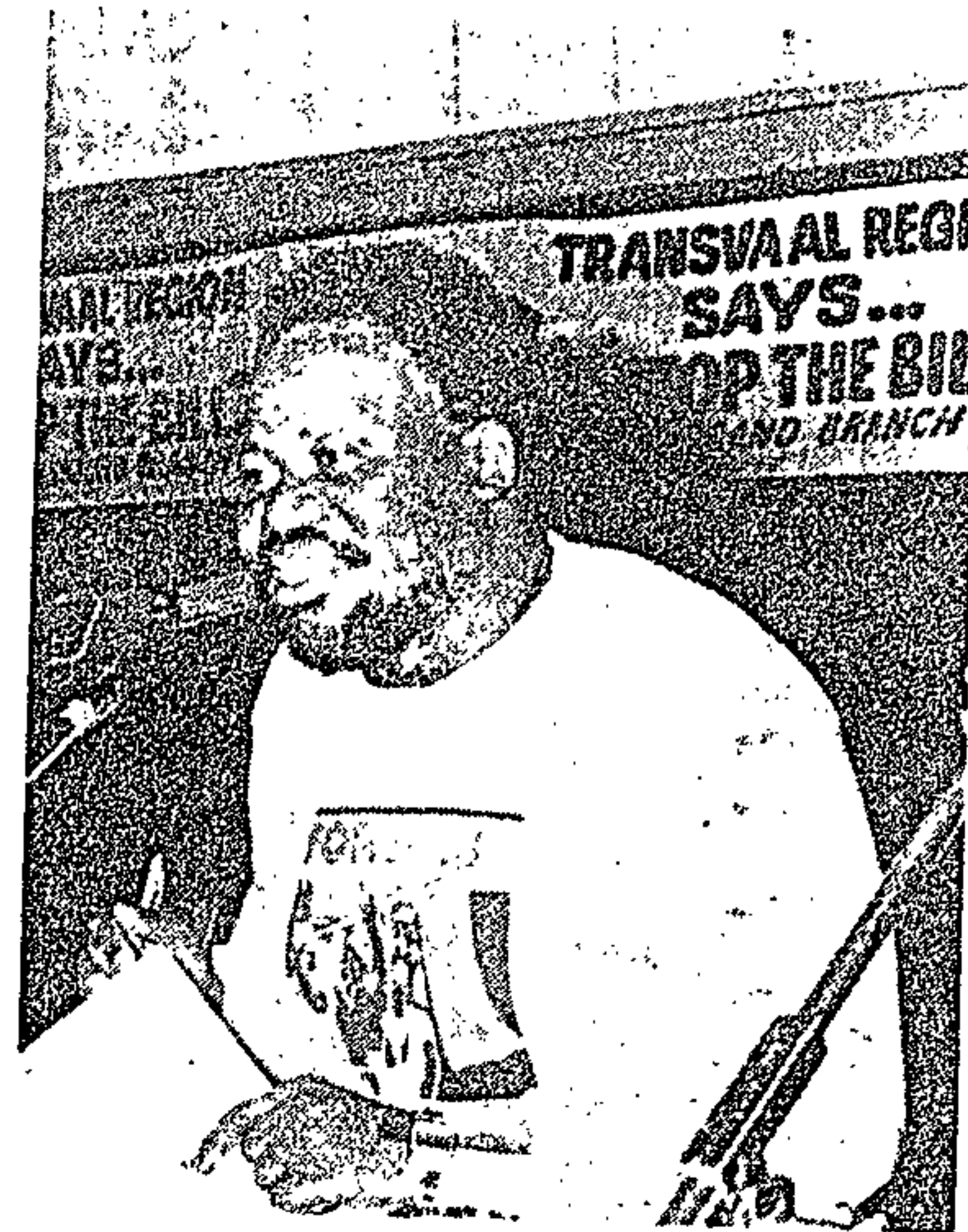
Chubby Chicks manager Mr Bert Herbst yesterday denied that the company had dismissed the said employee. He said the employee offered to resign after he refused to obey instructions from management.

Sewerage

According to Fawu, the employee was asked "to help clear a block in the sewerage pipes".

"Our member refused to have anything to do with fixing sewerage pipes because he was not employed for that job," Nene said.

Herbst said the company was prepared only to re-employ 250 of the strikers because some of their posts had been filled



Fawu official Mr George Nene

by new workers.

* Dozens of members of the Paper, Printing and Allied Workers Union (Ppawu) picketed outside the offices of their employer, Maister Outdoor Marketing (MOM), in Industria yesterday.

They have been on

strike since Wednesday. Their demands include a minimum wage of R215 a week and an across-the-board increase of R60 a week.

The company's spokesman, Mr Rob Davis, was not available for comment yesterday.

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Sowetan



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Racial tension sparks strike

By LEN MASEKO

MORE than 150 members of the National Union of Metalworkers of South Africa have been dismissed by a Benoni company after taking part in a strike apparently triggered by racial conflict within the firm.

Racial tension within the Asias company has apparently led to occasional fights between black and white employees on the shopfloor, according to Numsa official Mr Alfred Woodington.

But Asias management denies that there is "such a thing" as racial strife within the company.

Woodington said relations between the two groups became worse this month when a white worker allegedly assaulted a black colleague. The white employee was subsequently fired by the company.

"Even then, our members had to take part in a brief work stoppage to force management to haul the man before the dis-

ciplinary hearing," he said.

He said the union was in possession of derogatory pamphlet titled "Die Kaffers se Psalm 27", allegedly distributed by a white employee on the plant.

He said the company's white workforce, angered by the dismissal of their colleague, petitioned management to take action against the employees who participated in the stoppage. As a result, he said, 15 Numsa members who already had final warnings for previous offences were sacked.

Meeting

"The dismissals led to a strike by fellow union members on November 22. More than 150 strikers have now been dismissed by the company," Woodington said. Numsa is demanding the unconditional

reinstatement of its members. But the company intends to re-employ only some of them in January next year, according to the union.

Numsa has called for a meeting between itself and the East Rand Yster en Staal Vakbond, a union which represents Asias' white workforce, to discuss racial tension between their members.

Problem

The Cosatu affiliate has proposed that the two parties and management establish a joint committee to deal with the problem. Management has rejected the proposal, Woodington said.

Asias human resources manager Mr Piet Kruger said management was not aware of any racial strife within the company.

"We have a system through which grievances are channelled inside the company, but this has never been brought to our attention," he said.

at Benoni plant

Mopeli says 'group' concept hinders talks

THE Chief Minister of QwaQwa, Dr T K Mopeli, yesterday said the group concept to which the Government was "still tenaciously clinging" remained the greatest impediment to negotiations in South Africa.

Addressing the annual conference of the ruling Dikwankwella Party, Mopeli said only a strong unitary or federal form of Government would guarantee lasting political stability in this country.

"Groups will always get at each other's throats and exercise their right to veto to a point where seeds of discord and

points of friction will permanently be generated at our peril," he told the conference.

"The groups concept is the greatest impediment to negotiation as envisaged to achieve the ideal of genuine power-sharing."

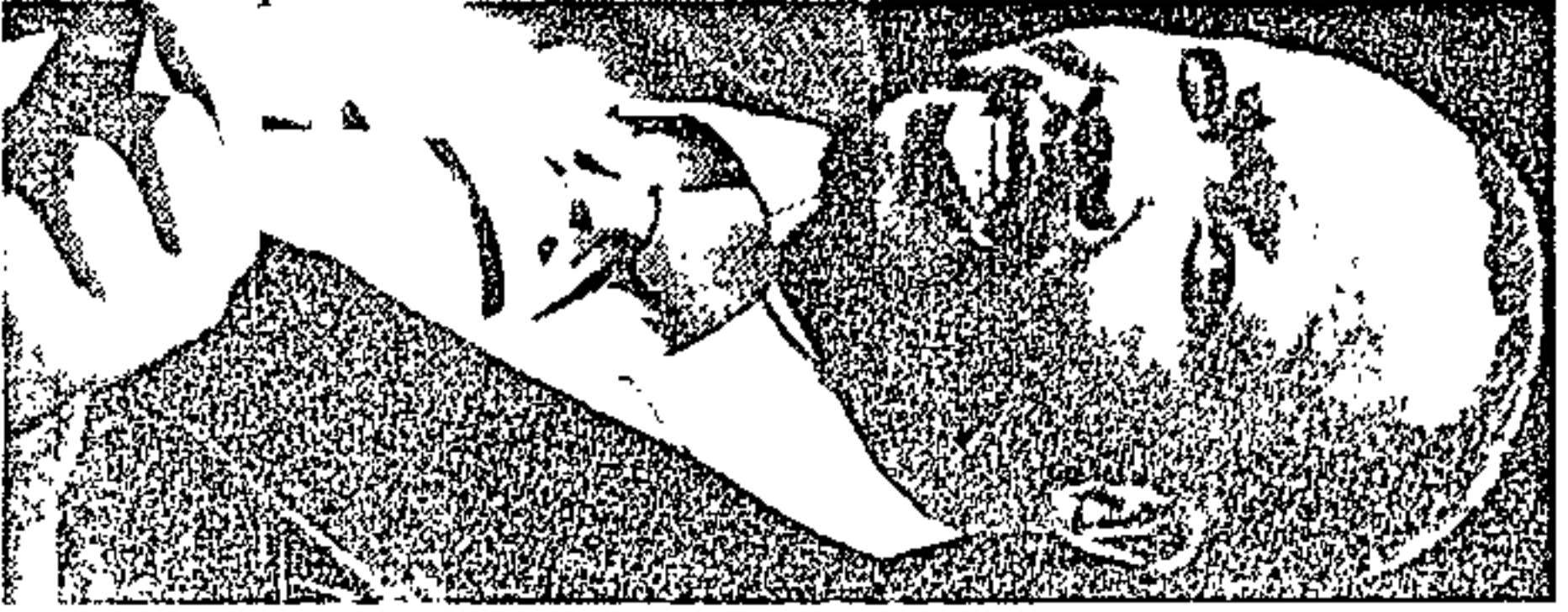
Emergency

Noting that political events in South Africa were unfolding at a "most bewildering pace," Mopeli said the country was headed for a "very stormy political and constitutional weather."

The dramatic release of seven important ANC figures and the similarly dramatic announcement that the Separate Amenities Act would be scrapped meant that "South Africa can never be the same".

"Yet, it does not make sense to release these prisoners without at the same time lifting the state of emergency and unbanning the political organisations they belong to," he added.

He called for the repeal of the Group Areas Act and the Population Registration Acts "in or-



Dr T K Mopeli der to make the climate more favourable for negotiations" - Sapa.

R50 000 claim against Rajbansi dismissed

FORMER Member of Parliament for the House of Delegates, Mr Pat Poovalingam, has had an application for R50 000 damages against Mr Amichand Rajbansi dismissed with costs in the Durban Supreme Court.

The damages were to be in reparation for two separate acts of defamation allegedly carried out by Mr Rajbansi. The first was a letter published on February 5 1988 and distributed to all members of the House of Delegates while they were in the

debating chamber. The second was a letter published on August 27 1987 to only one member.

The main defence raised by Mr Rajbansi's counsel was one of absolute privilege, that the letter was protected by Section 8 of the Powers and Privileges of Parliament Act of 1963.

At the time of publication both Mr Poovalingam and Mr Rajbansi were Members of Parliament but of opposing parties.

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Retrenchment was a 'blessing in disguise'

By Abel Mushi

Seven months after he was retrenched by his company for economic reasons, a 50-year-old woodcarver returned to his craft after 35 years and now earns more than three times his previous salary.

"The retrenchment was a blessing in disguise. I wish it had happened long ago," said Mr Samson Mudzunga of Shanzha, Venda, who used to work for a steel products manufacturing firm in Johannesburg.

Mr Mudzunga had no formal training in woodcarving and only went to Std 5 at school. He started modelling clay animals as a herdboys and began carving

at 15. He stopped when he found permanent employment.

After his retrenchment in May, Mr Mudzunga consulted the Federated Union of Black Artists (Fuba) for guidance. They recently arranged a one-man exhibition of his work.

"I do all the work in Venda because there are varieties of good wood there and my union, the Steel, Engineering and Allied Workers' Union of South Africa (Seawusa) here in Johannesburg, sells the stuff for me on consignment," Mr Mudzunga said.

"The most expensive article I have sold so far was bought by an American tourist for R1 500."

SA 5/12/84

Sarhwu to challenge evictions

By Drew Forrest

335

The SA Railway and Harbour Workers Union is to launch further court actions this week, challenging the eviction of fired strikers from railway hostels.

Sarhwu general-secretary Mr Martin Sebakwane said yesterday the actions would be test cases with key implications for 500 workers evicted from hostels in Johannesburg, the Reef, Bloemfontein and Pretoria.

Papers were served on SA Transport Services last week over two evictions, he said.

Sats had withdrawn one and denied the other had taken place.

Mr Sebakwane confirmed Sats had rejected a union proposal of mediation on its demands for pay talks and the reinstatement of 4 900 dismissed strikers at a meeting yesterday.

Sats spokesman Mr Alan Lubbe said the meeting had ended in deadlock and that the dismissal of strikers could resume. Dismissals were suspended last week during negotiations.

Sats poised to fire 16 000 as talks deadlock

~~14/11/89~~ ADELE BALETA ~~(14/11/89)~~

SATS is poised to fire more than 16 000 striking workers and continued dismissals yesterday after the breakdown in talks this week between management and the SA Railway and Harbours Workers Union (Sarhwu). *8/10am 7/12/89*

Conflicting reports of the escalating violence and intimidation that has characterised the five-week-old strike were made by both parties.

Sats suspended dismissals pending the outcome of Monday's talks, which deadlocked after Sarhwu rejected Sats' proposals aimed at ending the industrial action and management refused to accept counter-proposals that the matter of wages and dismissals be mediated.

Sats spokesman Alan Lubbe said 254 workers were fired in Natal, Free State and the western Cape yesterday.

This brought the total number of employees dismissed since the start of the national strike to 5 601. He added there were 16 464 workers still on strike.

Lubbe said management was "very concerned" about the situation. "Intimidation is rife, especially on trains."

He said Sarhwu was using violence as a tactic to force Sats to negotiate wages.

Although prepared to continue talks, Sats would not consider wage negotiations. Lubbe reiterated Sats's proposal that the question of dismissals be referred to arbitration. *(335)*

Since the start of the national strike a total of 16 motor and suburban coaches had been gutted by fire, resulting in a loss of about R17,2m, he said.

Sarhwu general secretary Martin Sebakwane has said violence, dismissals and evictions were part of an attempt by management to break the strike. He condemned "those parties condoning violence, especially when the perpetrators are in Sats uniform on Sats property during working hours".

He recalled an incident this week where 18 striking workers had to go to hospital after they were allegedly attacked at Johannesburg Station by ticket collectors.

About 1 000 people marched to the New Canada police station in Soweto yesterday to protest at alleged intimidation of work-

□ To Page 2

Sats dismissals

ers on trains by police and SADF members. *8/10am 7/12/89*

Cosatu regional secretary Ariel Mabelane said workers were protesting against the use of teargas sprayed at them as they sang in trains.

A police spokesman said a group of people set alight two coaches at Ellispark station yesterday.

There were no reported injuries and no arrests were made.

Lubbe said there were reports in Pretoria, Johannesburg and Durban that com-

□ From Page 1

(335) muters with concessionary tickets, mainly non-striking employees, had been assaulted by striking workers.

Sapa reports that police believe sabotage may have caused the derailment of a goods train on the Umhlaas River Canal Bridge in Durban early yesterday. The 15-truck train ran off the tracks between Union and Merebank stations about 7.30am.

A police spokesman said there were no injuries but about 500 tons of coal were spilt. Sats estimated that the line would be blocked until early today.

Labour unrest brings 5 building projects to a halt

Star 7/12/89 By Drew Forrest

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Labour unrest culminating in the dismissal of workers has brought five Combrink Construction projects in the Transvaal, with a total value of R90 million, to a standstill.

Two of the sites are prestige office developments by Old Mutual Properties in Pritchard Street, Johannesburg.

Mr Ed Wilson, managing director of Group Five Building, said Building Construction and Allied Workers' Union members had launched an "illegal and unjustified" overtime ban on November 20 at all Combrink sites. This followed eight months of wildcat action, he added.

When workers ignored an Industrial Court interdict against the ban, the company dismissed most of the workforce — about 240 workers.

Yesterday was the return date for the case. The union's general secretary, Mr Vusi Thusi, said he would wait for the ruling before commenting.

Mr Wilson said the overtime ban was based on the workers' mistaken perception that management would not negotiate on substantive issues.

Company efforts to continue operations had been hampered by former employees who were intimidating site managers, sub-contractors' clients and workers, Mr Wilson said.

Bomber blows himself up as two men die

Station blast tied to railway strike

335 (12) (12) (12) (12) (12) Star 12/12/89

Staff Reporters

Police have linked the explosion at Johannesburg Station late last night in which two men were killed to the strike by members of the South African Railway and Harbours Workers' Union.

The fatal blast brings to at least seven the number of people who have died in strike-related violence in the six weeks of the strike.

Sats has also suffered losses of at least R20 million in coaches burnt out in strike violence. A passenger coach was destroyed by fire at Angus station on the East Rand last night. Two derailments of rolling stock have also occurred that have been blamed on strike action.

At least 11 000 strikers have been dismissed, of whom 2 641 were sacked in the Transvaal and Natal yesterday, and strikers have lost at least R16 million in pay since the strike began.

Sats and Sarhwa remain deadlocked. Sarhwa general secretary Mr Martin Sebakwane said the Mass Democratic Movement would meet today to plan new initiatives in the strike.

In the Johannesburg Station explosion, one man was badly mutilated and could not be identified. In the second explosion near the financial headquarters of Sats, damage was minimal and confined to shattered windows.

Picture on Page 2

The first explosion, near the entrance to the station, took place at 11.25 pm.

The second happened 12 minutes later.

The second limpet mine to explode was apparently placed first and police believe one of the men who died in the blast was responsible.

The two dead men have not yet been identified. One of them, a black man, was badly mutilated. The other, believed to be

Indian, sustained severe burns.

Witwatersrand police liaison officer Captain Eugene Opperman said one of the dead men at the station was suspected of carrying the bomb, while the other man was apparently a passerby.

Police were at the station about 10 minutes after the explosion, and later cordoned off the Rissik Street bridge near the station and the building to the public.

A man who was on the scene of the explosion minutes after it occurred told The Star: "The one man was totally mangled — his head and his leg are off."

A resident who lives on the corner of Bok and King George streets said he was asleep when he heard a huge explosion.

"I went to the scene and saw the body and a man's head. It was horrible."

A young couple who live in Jeppe Street, three blocks from the station, also heard the blast. "Since we have lived here there have been about six bomb explosions; we know the sound by now."

Sats sack another 2 641 striking staff

Stav

12/12/89
Labour Reporter

South African Transport Services yesterday sacked another 2 641 railway strikers — the highest single number since the strike started six weeks ago.

In other developments:

- A goods train was derailed near Stanger in Natal on Sunday. Police suspect sabotage.
- Sats confirmed that fresh labour unrest had erupted in Kimberley, where workers had seemed to have ended their strike.

Mr Martin Sebakwane, SA Railway and Harbour Workers Union (Sarhwu) general secretary, warned that the Mass Democratic Movement had noted the dismissals.

Mr Sebakwane also said the union was considering legal action on the dismissals.

Sats spokesman Mr Frikkie Stevenson said 11 544 strikers had been dismissed.

More than 13 000 were still on strike including about 2 000 in the Pretoria are "too frightened" to go to work.

Staff Reporters

Further arson attacks on rolling stock were reported today by South African Transport Services as the Sats strike continued.

Countrywide outbursts of violence coincided yesterday with the sacking of a further 1073 Sats workers, bringing to more than 13 000 the dismissals during the six-week strike deadlock involving Sats and the South African Railway and Harbours Workers' Union (Sarhwu).

Sats spokesman Mr Frikkle Stevenson said 10 642 workers remained on strike.

DESTROYED

A motor coach had been destroyed by fire and a suburban passenger coach damaged in Laddeville, Germiston, last night, he said. At New Era station on the Soweto line, another passenger coach was burnt out and a motor coach damaged.

Widespread strike violence continues

early today.

Mr Stevenson said a total of 24 coaches, with a replacement value of close to R25 million, had been destroyed since the strike began.

Police said that at Salt River station in Cape Town at least 11 people were injured after rubber bullets had been used to disperse a crowd.

However, other reports alleged that as many as 54 workers were injured, three seriously.

On the West Rand, four train drivers and two passengers were injured when a grenade was thrown from a train at New Canada station.

In Natal, many striking rail-

men were injured when non-strikers led by white supervisors attacked a union meeting in Empangeni yesterday, Congress of SA Trade Union (Cosatu) members alleged.

Police confirmed there had been a clash. Reacting to allegations that policemen stood by during the raid, a spokesman said he could not confirm that police had been present.

OVERALLS

Cosatu's Mr Vusi Sibiya said about 300 men wearing Sats overalls and armed with knobkerries and bush knives attacked SA Railway and Harbour Workers' Union members at union offices in Empangeni yes-

terday morning.

They were led by about 20 white men who were known railways employees, he said.

At least four workers had been taken to hospital.

The Salt River shootings occurred when Sarhwu members were on their way to the station after attending a meeting at the nearby Sactu Hall.

Groote Schuur Hospital confirmed that 14 people had been admitted.

One was in a critical condition and two were serious, a spokesman said.

Six would require surgery, three would probably be discharged and by 6 pm yesterday three had not yet been assessed.

A further 39 strikers were treated by private practitioners for wounds caused by birdshot and rubber bullets. A doctor said none of the men had been seriously injured.

A cafe owner said shooting lasted for three to five minutes.

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Holiday rush to

Durban port operations hit by strike

335

Labour Reporter

Durban harbour is operating only 12 hours a day and shipments are being delayed by a labour shortage due to the SA Transport Services workers' strike shippers told a businessman who contacted The Star yesterday.

This is the first clear sign that the strike is hitting strategic services.

Sats and the SA Railway and Harbour Workers' Union (Sarhwi) are believed to have met last night in a fresh bid to break the strike logjam. Sats would not comment on the reports.

In another development, a further 2 477 strikers were fired yesterday, mainly in the Natal region. More than 15 000 workers have been fired in all, but the dismissals tactic does not seem to be weakening the strike.

Mr Colin Cormack, who described himself as a "one-man business", said a shipment due to leave Durban for Europe on December 10 had been delayed to today and then December 19.

STEVEDORES

"The shippers wrote to me to say that the port was only operating between 6 am and 6 pm and that their stevedores were having to organise casual workers to prevent a total collapse of port operations."

In a subsequent telephone conversation, the shipping company had said the situation in the port was chaotic, he said. Sats had not commented at the time of going to press.

● The Democratic Party's deputy manpower spokesman, Mr Tony Leon, yesterday attacked the "intransigence displayed by Sats' management" over the rail strike and called for the urgent resolution of the dispute.

He also deplored the "violence and lawlessness" which had marked the strike.

WE TO
INFS



Picture: ANDREW INGRAM, The Argus.

PROTEST BANNERS: Chanting City Park Hospital workers and union members demonstrate outside the hospital in support of 113 workers dismissed in August.

Dismissed hospital workers stage city protest march

By STEWART ALCOCK
Staff Reporter

ABOUT 200 chanting City Park Hospital workers and union members, waving banners and placards demanding a "living wage", marched through Cape Town in support of 113 workers dismissed in August.

Yesterday's march was called by the National Education, Health and Allied Workers' Union, whose representatives presented a petition listing the dismissed workers' grievances to City Park Hospital manager Mr Alan Matthews.

They have had no financial support since their dismissal on August 22 for striking over claims of low pay and poor working conditions.

The union claimed that since their dismissal the management had stalled attempted reconciliation talks.

The march was organised when the latest talks, due to be held with a representative of the hospital's executive committee next Monday were postponed until January.

The hospital claimed there were no flights available from Johannesburg for executive committee members, the union said.

Mr Matthews declined to comment on the dispute.

The march, sanctioned by the chief magistrate of Cape Town, started at St George's Cathedral and proceeded to the hospital.

Four union representatives were allowed into the hospital

to present their petition to Mr Matthews.

The petition was signed by hundreds of workers and union supporters, including at least 60 doctors who are members of the National Medical and Dental Association, demanding reinstatement of all the workers and a living wage.

An association spokesman described the pay as "starvation wages".

"The way the administration has handled this episode reflects badly on the whole medical profession," said association chairman Dr Stanley Levenstein.

He said the least they were asking for was immediate negotiations between the hospital and the dismissed workers.

17 000 Sats strikers have been dismissed

More than 17 000 railway strikers have now been fired by SA Transport Services, after the dismissal of another 2 221 workers across the country yesterday.

Sats said 8 902 workers remained on strike but stressed that strikers and dismissed workers together constituted only 28 percent of Sats' general worker complement.

● It is reported that police dispersed a meeting of about 1 000 Sats workers at union offices in Pretoria yesterday.

● Two houses in Daveyton, Benoni, which belong to two non-striking Sats employees, were petrol bombed on Wednesday. — Labour Reporter.

Sacked

Sacked 15/12/89



THE South African Transport Services fired more than 2 200 striking workers yesterday, the SABC-TV news reported last night.



This brings to more than 10 000 the number of sacked employees so far since the bloody strike started more than a month ago.



More than 8 000 other workers are still on strike.



Workers are demanding a minimum monthly salary of R1 500.-Sapa.

Hawkers' party

THE South African Black Hawkers and Informal Business Association will host a party for its members in Daveyton tomorrow.

It will be held at Timken swimming pool.

Dismissals fail to break Sats strike

STAR 16/12/89
325
DREW FORREST

Close to 20 000 black railway workers have now been sacked by SA Transport Services — but the dismissals strategy shows no signs of breaking the six-week rail strike.

And although the strike has had no major impact on Sats services, the cost in lives and property represents mounting pressure on management to find a negotiated solution.

The strike has already claimed 11 lives, according to Sats figures. Strikers are increasingly the victims of violent attacks by non-striking railworkers.

Sats spokesman Mr Alan Lubbe has revealed that total damage to Sats rolling stock during the strike amounts to R37 million. Twenty-six coaches have been destroyed by fire and 36 damaged.

Re-employment

Yesterday Sats fired another 2 352 workers, mainly in Natal, but Mr Lubbe conceded that fired strikers had not re-applied for their jobs in large numbers.

He said management was considering re-employing dismissed workers. No decision had been taken on whether re-employment would be selective and the criteria for selection.

The director of the SA Association of Freight Forwarders (SAAFF), Mr Alan Cowell has confirmed that no major backlogs had developed at the Sats terminals in Johannesburg.

The only way forward appears to be through negotiations between Sats and the SA Railway and Harbour Workers Union (Sarhwu).

This week, there were reports of low-profile contact between the parties.

Sarhwu is demanding pay increases and the unconditional reinstatement of strikers. Sats has refused wage talks — arguing that it has already negotiated increases with recognised unions this year.

10 destitute for every job lost

w/c
17/6/89
16/12/89
338

By VIVIEN HORLER
Weekend Argus Reporter

FOR every job lost in South Africa as many as 10 people face destitution within three months.

This is the opinion of Mrs Ina Perlman of Operation Hunger quoted in the latest Race Relations Survey, published in the same week that South African Transport Services announced they had fired more than 17 000 striking workers in the past six weeks.

The director general of Manpower, Mr J D Fourie, estimates there are three million unemployed people in South Africa.

The latest annual Race Relations Survey also records that since September 1984 more than 4 000 people have died during political violence. Last year was the most violent in South Africa's history in terms of terror-related incidents.

The 850-page survey covers a variety of subjects which affect race relations, including health and welfare, the homelands, housing, education, labour relations, security and political developments.

Mrs Perlman said jobs were being lost all over South Africa "at a terrifying rate". Operation Hunger was struggling to feed 1,3-million people, and if additional sanctions were imposed one million more people would be thrown below the survival line.

● On black labour, the survey says there are only 2 860 black people in managerial executive and administrative positions, compared with 180 000 whites.

And one of the main reasons for this, according to the chairman of the National Manpower Commission, Dr Henrie Reynders, is the attitude of white personnel.

Although they paid lip service to black advancement, they displayed "notable unwillingness or inability to do this in practice".

ALMOST 90 percent of the population is semi-skilled or unskilled, but the survey pointed out that the salary gap was gradually narrowing.

Between 1985 and 1988 black semi-skilled and unskilled wages had risen by 75 percent, while white skilled wages had risen by only 56 percent.

In 1988 almost one million working days had been lost to strikes, compared with 5,8-million in 1987 — a drop of 84 percent. Strikes in 1989 were up by almost 200 percent compared with 1988, but considerably down on the record 1987 levels.

● On the security front, the survey found that 1988 was the most violent in South Africa's history in terms of terror incidents. There was also an increase in other violence including killings related to trade union activity.

Quoting Law and Order Minister Mr Adriaan Vlok, the survey said there had been 291 "terrorist" incidents compared with 235 in 1987, 231 in 1986 and 136 in 1985.

The number of people who died in political violence also showed a sharp rise from 706 in 1987 to 883 last year, bringing the total since September 1984 to 4 012.

Security force fatalities in this period totalled 187, while 163 ANC and PAC guerrillas were killed.

Natal was the worst-hit area for political violence in 1988 — in the year between September 1987-1988 883 people lost their lives.

THE survey said at least six trade union members were waiting to be hanged for their part in killing fellow workers during strikes, and another 40 were facing murder charges.

● On the educational front, the survey reported that about 20 000 black students failed matric in 1988. There was violent opposition to the Department of Education and Training's edict that matrics who failed could not re-enrol at school, but would have to repeat their matric years at adult education centres or finishing schools.

But there was a major departmental concession which made it considerably easier for pupils to get matric. This was that pupils who failed would receive credit for all the subjects they had passed, so that they had to rewrite only the subjects they had failed.

Another educational improvement was legislation to upgrade the farm school system — about 30 percent of African children outside the homelands attend schools on white farms.

The survey said that eliminating apartheid was only part of the solution to the black educational backlog, because even if every vacant white classroom was opened to black children, the black shortage would be reduced by only 20 percent.

This was worrying because a National Manpower Commission report said the demand for infrastructure, teacher training and educational upgrading was so extensive special efforts would be needed to achieve any success at all.

In the 1988/1989 financial year R9,4-billion was allocated to education in South Africa (including the "independent" homelands), of which 43 percent went to African education, 40 percent to white education, 12 percent to coloured education and five percent to Indian education.

● The Race Relations Survey 1988/89 is available from the Publications Department of the South African Institute of Race Relations, P O Box 31044, Braamfontein 2017, for R64,50 including postage and packing.

Surveys company fires 70

RESEARCH Surveys
yesterday dismissed 70 of
its workers for ignoring
an ultimatum to end their
week-old strike and return
to work, writes LEN
MASEKO.

The 70 downed tools
at the company's Park-
town branch on Decem-
ber 11 to pressurise man-
agement to recognise
their union, the South Af-
rican Commercial Cater-
ing and Allied Workers'
Union.

A Saccawu official,
Mr Jackie Masuku, said
the workers had been
given until noon yester-
day to report for duty, but
ignored the deadline in
support of their demand.

The company's direc-
tor, Mr B Rice, could not
be reached for comment.

Masuku said they had
referred the matter to the
union's lawyers who
might contest the dismiss-
als in the Industrial Court.

Saweta 19/12/89

335

Gleam of hope in rail strike impasse

Star 11/12/89
Labour Reporter

There was a slight but hopeful shift in the rail strike logjam yesterday when legal representatives of management and workers met in Johannesburg.

This was the first official contact since the breakdown of negotiations a fortnight ago. (335)

The SA Railway and Harbour Workers Union could not be contacted, but SA Transport Services' Mr Leon Els said there had been an exchange of proposals.

Although no date had been set for the next meeting, Sats was "optimistic" about prospects for

progress. (240) (242)

Yesterday Sats fired a further 802 strikers, taking the total number of dismissals past the 20 000 mark.

The dismissals process in Natal, the area hardest hit by strike action, has been concluded and Sats yesterday advertised in the Natal press for workers to reapply for jobs.

Mr Els said the same procedure would be followed elsewhere once dismissals had been finalised. A total of 6 008 workers remained on strike. (1104)

Strikers would be re-employed selectively, Mr Els said.

22 more fired after strike talks re-open

ADELE BALETA

SATS dismissed a further 22 workers yesterday bringing the total number of workers fired to 20 488, leaving only 5 765 employees on strike, Sats spokesman Ian Bleasdale said. (335)

He said 12 strikers were fired in the Southern Transvaal, five in Natal and five in the Western Cape yesterday. (153)

SA Railway and Harbours Worker Union (Sarhwi) general secretary Martin Sebakwane said there was no substantial difference in the proposals put forward by Sats at Monday's talks compared to when negotiations deadlocked two weeks ago.

On December 4 Sats had proposed the that the issues of wages and dismissals be arbitrated. This was turned down by the union. B/day 20/12/89

He said Sarhwi's national executive committee would discuss the industrial action this week and would then give the union's negotiating team a mandate for further talks.

Sebakwane said Monday's session was merely to re-open talks in an attempt to find a solution to the strike that has claimed at least 11 lives.

□ To Page 2

Sats strike (335)

He said the two parties had not "covered any new ground" B/day 20/12/89

Sats was still considering Sarhwi proposals put on the table at Monday's meeting, Bleasdale said.

He said the suspension of dismissals was not on the agenda at Monday's talks. Further discussion between the parties would be held sometime this week but a date had not yet been set.

Bleasdale said the home of a non-striker was petrol bombed in Mamelodi near

Pretoria yesterday. Pretoria police could not confirm the incident. (153)

Sapa reports Cape Town police were investigating possible malicious damage to property, and not arson, in connection with a Sats passenger coach which was damaged by fire on Friday night near Wellington station.

This was confirmed by a Western Cape police spokesman Capt Attie Laubscher.

Damage to the passenger coach between Mbekwemi Station and Wellington Station, was estimated at R150 000, Laubscher said.

□ From Page 1

Fired Haggie workers have quit hostels

235
21/12/89
Stw
Ninety-three fired Haggie Rand workers have vacated a company hostel in compliance with a Supreme Court order.

The workers were among 232 dismissed and evicted from Haggie's Jupiter plant compound after occupying management offices during a dispute over overtime in October.

This week, the Rand Supreme Court finalised an order declaring their dismissal and eviction lawful and requiring them to leave the hostel by today.

The workers had vacated the hostel peacefully, said a Haggie spokesman. — Labour Reporter.

Sats dismisses another 427 striking workers

By Drew Forrest

A further 427 striking SA Transport Services workers were dismissed yesterday.

Sats said 4 813 workers were still on strike after the sackings, which had taken place mainly in the southern Transvaal. Close to 21 000 strikers have been dismissed in phases.

At the same time, SA Railway and Harbour Workers Union general secretary Mr Martin Sebakwane has poured cold water on Sats optimism about a meeting last Monday.

Management's description of the meeting — the first official encounter since talks deadlocked two weeks ago — as "fruitful" was premature, he said.

"The only substantive change in their position is that they want to re-employ dis-

missed workers selectively," he said.

Sarhwa's national executive committee would meet today to formulate a mandate for further discussions, he said.

Mr Sebakwane also hit out at the transport tariff increases announced by Sats on Tuesday, saying they appeared to be a prelude to privatisation.

There had been no consultation with the wider community on the rises, which could only erode the living standards of workers, he said.

"As Sats' own employees will be affected, management should be more receptive to workers' pay demands," Mr Sebakwane added.

Although the rail strike is essentially about union recognition, pay has been a key bone of contention.

Own Correspondent

JOHANNESBURG. — Employment levels in the gold mining industry, hurt by some 25 000 layoffs this year largely on old and marginal mines, have declined substantially for the second consecutive year after a decade of almost uninterrupted growth.

Figures supplied yesterday by the Chamber of Mines showed gold mining employment on chamber affiliates in August at 486 874, 5.6% below the 1988 average of 515 739, and about 2% (13 000) down on the January 1989 figure.

Strong export markets kept to a minimum declines in employment on chamber-member collieries. The figure fell by about 1 000 (1.8%)

Gold mining jobs fall off

in the eight months, but the August figure of 54 457 is substantially below the 1988 average of 59 075.

There appears little prospect of a turnaround, with the most optimistic forecasts for 1990 saying employment levels would remain stable at their present levels.

NUM assistant general secretary Marcel Golding said the union had been struggling to keep lay-offs to a minimum, and to secure the best possible terms for those who have lost their jobs. Further retrench-

ments were in the pipeline, he said.

The vast majority of the 25 000 redundancies reported by the NUM occurred at mines owned by Gemmin and Rand Mines. These losses were partially offset by higher employment at highgrade mines. Anglo's goldmine workforce, for example, increased by 4 000 to just over 200 000.

A third occurred in the major rationalisation programmes at

ERPM and Durban Roodepoort Deep. However, Rand Mines personnel director Don King confirmed a similar exercise was carried out at Harmony, and the group is now discussing with the NUM more lay-offs at Blyvooruitzicht. King said it was hoped this would stabilise employment levels at low-grade mines. He said although Rand Mines was taking an optimistic view on the gold price, mines had to be geared to cope with a less favourable scenario.

Golding listed eight Gemmin mines — Leslie, Kinross, Winkelhaak, West Rand Consolidated, Marievalle, St Helena, Bracken and Grootvlei — where rationalisation programmes had been implemented. Gemmin spokesmen were unavailable for comment.

Golding said the NUM "was not oblivious to the industry's problems", but felt that labour law which required companies to only consult, rather than negotiate, retrenchments put the union at a disadvantage. He said a serious problem was the question of severance payments which were, in some cases, as "appallingly low" as three days pay per year of service.

Sats fires 21 500 strikers

ABOUT 21 500 striking SA Transport Services (Sats) workers have been fired in the seven-week-old strike.

Sats spokesman Mr Leon Els said the dispute would "definitely not" be resolved before Christmas, but dismissals had slowed down over the Christmas period.

Sats had not been approached by the SA Railways and Harbours Workers' Union (Sarhwu) since last Monday's talks between the union and Sats, Mr Els said.

Sarhwu officials attended a national executive committee meeting on Thursday to discuss the strike.

Mr Els said 4 200 workers were still on strike and that the re-employment programme in Natal was proceeding "very slowly".

He added that strikers had lost close to R19 million in wages. Damage to Sats property stood at almost R38 million.

Sapa.

3351
23/12/89

SAPA

Sacked 25 in court 25

TWENTY-five former employees of Soweto's Blackchain supermarket made a brief appearance in the Protea Magistrate's Court last Friday on a charge relating to an illegal gathering.

They were not asked to plead by Mr H S van Heerden and the case was postponed to January 26 pending the Attorney-General's decision. Their bail of R250 each was

extended. 27/12/89
They were among 84 workers, all members of the Federal Council of Retail and Allied Workers, who were retrenched about three months ago after the supermarket was taken over by new management.

This was their second appearance. The charge sheet did not give details of the offence they are alleged to have

committed. They all appeared in court wearing their union's T-shirts.

The twenty five who appeared are, Evelyn Baloyi [36], of Meadowlands, Jabulani Zondo [40], of Phiri, Nobantu Xipho [30], of Rockville, Vincent Mbatha [28], of Meadowlands, Juliet Mhimele [28], of Meadowlands, Eve Jele [33], of Meadowlands hostel, Zakhele Kubheka [27], of Zola, Zodwa Mollo [27], of White City Jabavu, Dinono Moreo [26] of Central Western Jabavu, Phumla Ngcuka, [27], of Jabulani, Gladys Tshabalala, [48], of Orlando West, Amos Ndlovu [26], of Diepkloof, Rachael Dlalisa [36], of Zondi, Julia Moruti [38], of Protea, Mapule Moremi [27], of Naledi, Wiseman Mtirara [27], of Molapo, Mzondelele Mbeshu [27], of Orlando East, Joseph Motshwane [21], of Central Western Jabavu, Nkareng Maepa [34], of Pimville, Cebile Mazibuko [30], of Protea, Meten Nelihlazo [33], of Diepkloof, Richnet Matyolo [27], of Moletsane, Benedita Khahela [51], of Diepkloof, Emily Kotsi [34], of Mofolo and Patrick Ndlovu [24], of Diepkloof hostel.

22 000

South
fired by

Sats

SA Transport Services yesterday dismissed another 669 striking SA Railway and Harbours Workers Union members bringing to 22 112 the total number of dismissals since the start of the wage and recognition-related dispute, Sats public relations head Leon Els said.

Members of Sarhwa's national executive committee met at the weekend and a set of proposals for further talks aimed at ending the almost eight-week-old strike is to be formulated and presented to Sats management later this week, Sarhwa's publicity secretary Martin Sebakwane, said yesterday.

According to Sats there are still 3984 workers still on strike who have not been dismissed.

The situation nationwide was "particularly quiet" at the weekend and the only incident reported was the burning of a railway carriage at Cape Town on Saturday.

UNEMPLOYMENT —

1990

JANUARY — JULY.

Sats strike closer to end

THE Sats workers' strike came closer to being resolved late yesterday afternoon. (152) (152)

The SA Railway and Harbours Workers' Union (Sarhwu) — which called for the strike that resulted in the dismissal of more than 22 000 Sats employees — has almost got a mandate to put forward proposals to end the industrial action. (152) (152)

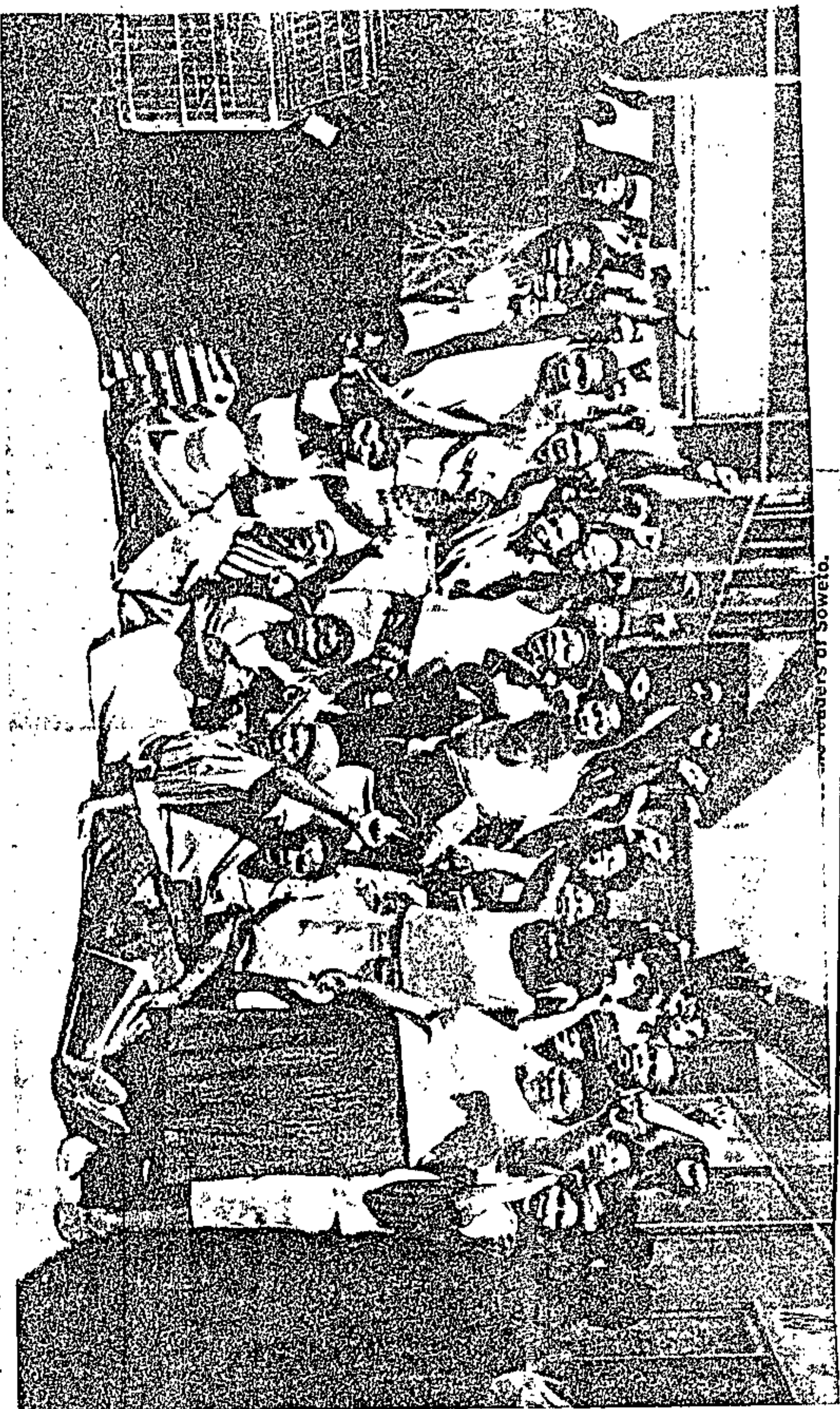
A spokesman for Sats said the union had informed management its national executive would meet yesterday to ratify its recommendations. Their answer could be received today. (152) (152)

The union was responding to proposals put forward by Sats a fortnight ago to break a two-week deadlock in talks aimed at resolving the dispute. (335)

No more workers were dismissed yesterday, leaving the total number of dismissals at 22 380.

A total of 3 574 workers are still on strike.

To date the cost of damage and destruction to Sats property has been estimated at R40m. — Sapa.



The Chubby Chick poultry factory has agreed to re-employ 180 of the 400 workers dismissed last year after a lawyers' agreement this week.

Lawyers settle poultry battle

By DAN DHLAMINI

THE FOOD and Allied Workers' Union (Fawu) won a partial victory this week when management of the Chubby Chick poultry factory agreed to re-employ 180 of the 400 workers fired at Potchefstroom last year.

The decision follows a four-hour meeting on Wednesday between Chubby Chick and Fawu lawyers about the mass dismissal on November 23 last year.

The entire work force was sacked after workers downed tools, demanding a living wage and the reinstatement of a fired colleague.

The man at the centre of the controversy was Job Bovula, who told City Press he was fired because he refused to drain a septic tank - a job that was not his.

Chubby Chick's factory manager Bertus Herbst would not comment on the septic tank issue.

He insisted the workers were dismissed because they participated in an illegal strike.

Workers claim they were forced off the premises and casual staff were engaged to fill vacancies.

They said that after talks between Fawu representatives and management ended in stalemate, the legal advisers of

both parties took over.

In a similar incident at Chubby Chick in 1984, Leonard Sikhakhane, secretary of the Nactu-affiliated Food and Beverages Workers Union, was arrested together with some employees and the entire workforce dismissed.

They successfully appealed against their conviction and R100 fines and the workers were reinstated.

According to the interim agreement between Fawu and Chubby Chick lawyers, the company will re-employ at least 180 of the dismissed workers until February 28.

Of the 180 employees, 90 will be from those who reside at Fourné's farm

and the other 90 from Ikageng.

This rules out the company's earlier threat to evict dissident employees residing at Fourné's farm.

Fourné is the owner of Chubby Chick Factory and breeds chickens at his farms about 15 kilometres outside Potchefstroom where some of the workers live.

The agreement says the union undertakes that the workers will work overtime within the parameters of the basic conditions of the Employment Act, provided the union and its members support an application by the company for its exemption from the overtime provisions of the Act.

Sats fires 54 more striking workers

Labour Reporter

Another 54 railway strikers were fired yesterday as railways management awaited the SA Railway and Harbour Workers' Union's (Sarhwu) response to its latest proposals for settling the 10-week-old railway strike. (SATS) (1404)

It is understood that SA Transport Services has offered to re-hire a percentage of the 22 400 fired strikers and to compensate the rest at the discre-

tion of an arbitrator.

It has proposed that Sarhwu apply for registration and then negotiate an interim recognition agreement. (SATS) (911190)

Sarhwu has promised to canvass its members and to relay their response this week.

If the current talks fail, Sats is likely to replace the fired strikers with a permanent labour force, resulting in the loss of much of Sarhwu's membership. (SATS) (335)

Bjelke-Petersen puts off SA trip

MELBOURNE — Former Queensland Premier, Sir Joh Bjelke-Petersen, has delayed a trip to South Africa after being told he is still under investigation following the Fitzgerald inquiry which found evidence of

large scale corruption among police and politicians.

Sir Joh and his wife, Lady Flo were to visit South Africa in February as guests of the Government. They will now make the trip in April. — The Star's Foreign News Service.

n court

now

rt businessman, Mr
ly appeared before
sterday after police
x tablets in his pos-

03 Central Avenue,
ead.

Mandrax tablets in
er 19 000 in a Berea
e drugs is at least

for bail today.
e Bench.

Died after giving birth

A 28-year-old woman died in the Park Lane Clinic shortly after giving birth to a baby girl, a Johannesburg inquest court heard yesterday.

Mrs Mala Chetty of Malvern died on December 1 last year as a result of a severe internal haemorrhage, a post-mortem examination found.

A sister at the Park Lane Clinic, Mrs E Airth, said Dr E Pheiffer ordered that an epidural anaesthetic be given to Mrs Chetty because she suffered from high blood pressure.

After the birth, Mrs Chetty said she was in pain. Blood loss was fairly heavy, but she drank a cup of tea she had ordered, Sister Airth said.

Mrs Chetty later died. The hearing continues.

Sats managers in long discussions over dismissals

SA Transport Services managers held a protracted internal meeting yesterday signalling that an intense debate was taking place over the issue of dismissals in the 10-week rail strike.

The internal discussions were a prelude to another negotiating session with the SA Railway and Harbour Workers Union (Sarhuw) in Johannesburg.

Sats' Mr Vic van Vuuren would not say what progress had been made. Further talks between the union and management are scheduled for today.

In negotiations earlier this week, it emerged that conflict over the fate of 23 000 fired strikers is the key obstacle to settlement.

DREW FOREST

Sarhuw wants the reinstatement of all the strikers. Sats has offered to re-employ half, with the possibility of compensation for the remainder.

In another development yesterday, an urgent application launched by Sarhuw against the Minister of Law and Order was settled after police gave a written undertaking to the union.

The court action followed Tuesday's bloodbath at the Germiston Station. Sarhuw alleged that the police had not intervened to prevent an attack on strikers in which at least six people were killed.

Commissioner of Police General J van der Merwe did not comment on the allegations.

However, he assured the union that it was SAP policy to prevent unlawful action against any member of the public and that all reasonable steps would be taken to ensure the policy was adhered to.

At a memorial service for the victims of the Germiston Station violence, held at Germiston's St Boniface Anglican Church yesterday, unionists called for a commission of inquiry into the deaths and vowed to fight back in defence of workers.

Speakers also complained that no one had yet been arrested in connection with the attack.

Stev 16/11/90

Ex-tramps aim to build new nation from SA's 'rejected people'

Union for homeless formed

By Winnie Graham

Babies are being born and reared as "child hobos" on the streets of Johannesburg...

Some people in the city have been homeless and unemployed for 20 years... between 10 and 20 people join their ranks every day...

Homelessness is the greatest builder of bridges between black and white...

These are the facts Andrew Masilela and Costa Ndlovu uncovered when, homeless and unemployed, they tramped the streets in search of a job and a place to sleep. Their experiences have prompted them to form the National Association for the Homeless and Unemployed, an organisation controlled by a 15-strong committee which aims at creating structures to rebuild "a new nation from rejected people".

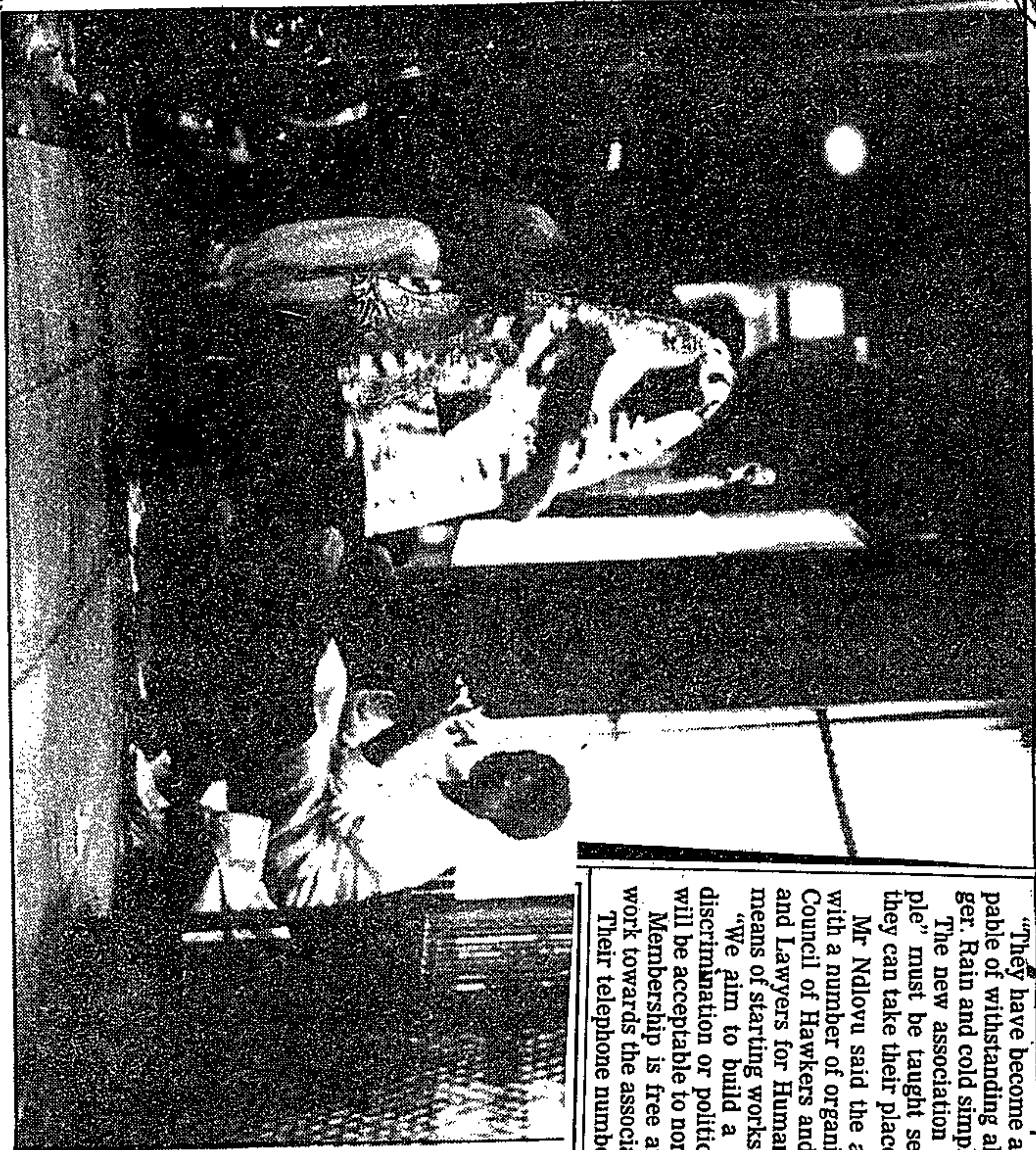
The two men believe every man, woman and child is entitled to a chance in life.

"We know our association could bridge the gap between the races as few other organisations," Mr Masilela said. "We have found that people who are homeless and jobless willingly share the bread or the blanket they have — regardless of colour or creed."

Before launching their association in November last year, the two men spent months doing research, speaking to literally thousands of homeless and unemployed people. They learned that many had lost their jobs through retrenchment following disinvestment. Many were evicted when they could no longer pay rent or instalments on their bonds.

They found hobo mothers who, with no place to go, gave birth to their children in alleyways and gutters — then reared their children as hobos because there was no escape. "Skokiaan" and food from rubbish bins formed their diet.

Mr Masilela said many people had spent virtually a lifetime on the streets living a hand-to-mouth existence. So-called "hobos" and "vagrants" lived under motorways, at railway stations, in the lanes of suburbs such as Turfontein and Rosettenville, in shop doorways and city alleyways. They kept moving and accumulated nothing.



Bedtime... in the streets of Johannesburg. Mr Siphwe Ntshangase, a member of the National Association for the Homeless and Unemployed, talks to a homeless person in End Street.

Picture by Sean Woods.

"They have become an incredibly strong people capable of withstanding almost any pain, illness or hunger. Rain and cold simply does not affect them."

The new association believes these "rejected people" must be taught self-reliance and skills so that they can take their place in society.

Mr Ndlovu said the association had been in touch with a number of organisations, including the African Council of Hawkers and Informal Businesses (Achib) and Lawyers for Human Rights, to discuss ways and means of starting workshops and training projects.

"We aim to build a nation irrespective of racial discrimination or political background, a nation that will be acceptable to normal society," he said.

Membership is free and open to anyone willing to work towards the association's objectives. Their telephone number is (011) 29-3918.

Scepticism voiced over unemployment figures

CAT 71715 16/1/90
Own Correspondent (335)

JOHANNESBURG. — Economic experts yesterday voiced their scepticism over government's latest figures for black unemployment and predicted the number of jobless blacks would continue to increase for the foreseeable future.

The Central Statistical Service's (CSS) December bulletin puts the rate of black unemployment for September 1989 at 13,0%, down from 13,1% in August.

Over the longer term, CSS figures show a steady decline in the number of black jobless from almost 1,2m in July 1986 to 744 000 for September 1989.

Sanlam's chief economist Johan Louw said yesterday he could only "be sceptical of these figures."

"With an economic growth rate of about 2% and population growth of 2,7%, black unemployment, much of which is hidden, can only be on the up."

SA Institute for Race Relations director John Kane-Berman reacted to the CSS figures by saying in reality "the outlook for employment in SA is very bleak indeed."

"We need the formal economic sector to create 1 000 jobs a day to cater for new arrivals on the job market — while it is producing just one tenth of that number."

But the director of the National Manpower Commission, Kobus van Zyl, was more circumspect in his interpretation of the jobless situation.

"There have been important structural changes in the economy with the boom in the informal economy, a sector which is only now gaining credibility. It is this growth which goes a long way to explain the drop in the unemployment numbers."

However, a spokesman for the Small Business Development Corporation in Johannesburg said he was disturbed by government sources attributing the decline in unemployment to the growth of the informal sector, when "the CSS has quoted the informal sector as contributing just 3% to GDP last year."

"These two views are clearly in conflict."

See 16/11/90

Ex-tramps aim to build new nation from SA's 'rejected people'

Union for homeless formed

By Winnie Graham

Babies are being born and reared as "child hobs" on the streets of Johannesburg... Some people in the city have been homeless and unemployed for 20 years... Homelessness is the greatest bulder of bridges between black and white...

These are the facts Andrew Masilela and Costa Ndlovu uncovered when, homeless and unemployed, they tramped the streets in search of a job and a place to sleep. Their experiences have prompted them to form the National Association for the Homeless and Unemployed, an organisation controlled by a 15-strong committee which aims at creating structures to rebuild "a new nation from rejected people".

The two men believe every man, woman and child is entitled to a chance in life. "We know our association could bridge the gap between the races as few other organisations," Mr Masilela said. "We have found that people who are homeless and jobless willingly share the bread or the blanket they have - regardless of colour or creed."

Before launching their association in November last year, the two men spent months doing research, speaking to literally thousands of homeless and unemployed people. They learned that many had lost their jobs through retrenchment following disinvestment. Many were evicted when they could no longer pay rent or instalments on their bonds.

They found hobo mothers who, with no place to go, gave birth to their children in alleyways and gutters - then reared their children as hobs, because there was no escape. "Skoklan" and food from rubbish bins formed their diet.

Mr Masilela said many people had spent virtually a lifetime on the streets living a hand-to-mouth existence. So-called "hobs" and "vagrants" lived under motorways, at railway stations, in the lanes of suburbs such as Turfontein and Rosettenville, in shop doorways and city alleyways. They kept moving and accumulated nothing.



Bedtime... in the streets of Johannesburg. Mr Siphwe Nshangase, a member of the National Association for the Homeless and Unemployed, talks to a homeless person in End Street. Picture by Sean Woods.

"They have become an incredibly strong people capable of withstanding almost any pain, illness or hunger. Rain and cold simply does not affect them." The new association believes these "rejected people" must be taught self-reliance and skills so that they can take their place in society.

Mr Ndlovu said the association had been in touch with a number of organisations, including the African Council of Hawkers and Informal Businesses (Achi) and Lawyers for Human Rights, to discuss ways and means of starting workshops and training projects.

"We aim to build a nation irrespective of racial discrimination or political background, a nation that will be acceptable to normal society," he said. Membership is free and open to anyone willing to work towards the association's objectives. Their telephone number is (011) 29-3918.

Experts sceptical at govt figures for jobless blacks

ECONOMIC experts yesterday voiced scepticism at government's latest figures for black unemployment and said the number of jobless blacks would continue to increase.

The CSS December bulletin puts the rate of black unemployment for September 1989 at 13,0%, down from 13,1% in August. Its figures show a steady decline in the number of black jobless from almost 1,2-million in July 1986 to 744 000 for September 1989.

Sanlam's chief economist Johan Louw said yesterday he could only "be sceptical of these figures".

"It would be wrong to interpret them as showing that unemployment is becoming less of a problem among the black population.

"With an economic growth rate of about 2% and population growth of 2,7%, black unemployment, much of which is hidden, can only be on the up."

SA Institute for Race Relations director John Kane-Berman said: "The

MATTHEW CURTIN

outlook for employment in SA is very bleak indeed.

"As monitoring unemployment is so difficult and the CSS figures exclude the homelands where unemployment is certainly greater, the government's statistics are far from reliable.

"We need the formal economic sector to create 1 000 jobs a day to cater for new arrivals on the job market, while it is producing just one-tenth of that number.

"The situation is especially grave because, as those in favour of sanctions fail to appreciate, the meagre social security here for which only 10% of blacks register does not compare with the welfare safety net in Western Europe."

SA Chamber of Business labour director Vincent Brett said: "Even if the economy takes off and there is real political change in the coming months, the unemployment situation for the whole country will continue to

worsen over the next year.

"I have little doubt that both increased urbanisation and capital intensity in industry, and the slackening of the economy all contribute to greater unemployment."

However, National Manpower Commission director Kobus van Zyl said: "I don't believe the downward unemployment trend will continue and I expect a gradual increase through the year.

"But there have been important structural changes in the economy with the boom in the informal economy, a sector which is only now gaining credibility. It is this growth which goes a long way to explain the drop in the numbers out of work."

A Small Business Development Corporation spokesman in Johannesburg said he was disturbed by government sources attributing the decline to the growth of the informal sector, when "the CSS has quoted the informal sector as contributing just 3% to GDP last year." He dismissed the CSS figures as inaccurate.

Surge in unemployment expected in next two years

PRETORIA — Between half a million and three-quarters of a million new workers would look in vain for jobs in the formal sector during the next two years, Econometrix director Azar Jammine said yesterday.

The economy was unlikely to expand fast enough to absorb any significant percentage of new job seekers. Continued expansion of the

GERALD REILLY

informal sector was therefore of critical importance, he said.

This year's employment level was likely to drop 0,5%, followed by another 0,5% drop next year.

The economic slowdown would have a delayed impact on employment. Unemployment was a lagging

rather than a leading indicator of the state of the economy. (335)

Unemployment among non-black workers could increase 2% this year and again more sharply in 1991. Unemployment in this category was estimated at 49 600 at the end of last year. The total at the end of 1991 could rise to 66 000.

Dismal hope for young job-seekers

By HANS-PETER BAKKER
Staff Reporter

HUNDREDS of matriculants and university graduates face disillusionment in the job vacuum that is developing in certain sectors.

Because of the poor prospects for 1990, cutbacks have been made in certain recruitment campaigns.

According to Mr Keith Wilson, senior technical consultant for Jobs Unlimited, there is 60 to 70 percent less work for professionals than last year.

"MORE DIFFICULT"

Mrs Gita Lison of the employment agency, Contact Personnel, said: "It is a lot more difficult to get work now than in the past — even for those with university degrees.

"In the retail and consumer sectors, the non-essential jobs aren't being automatically filled as they become available," said Mr Charl Adams, manpower manager of the Cape Town Chamber of Commerce.

Because of the cut in national service, it was expected that matriculants would outnumber the jobs available, he said.

Mr George Thomson, director of Status Recruitments, said national servicemen had a "slightly better chance of get-

ting a job than those directly from the school benches".

There were jobs, however, for the "more responsible matriculants and for those with good results".

"Those who make a job out of getting a job have a much better chance than those who expect the job to come to them," Mr Thomson said.

Mr Francois de Villiers, liaison chief of the Department of Manpower in Pretoria, invited the unemployed to approach the department, which would "try to place them in the labour market".

CAREER DECISIONS

He said it was important to study the labour market before career decisions were made. There was a need for people qualified in engineering, computers and other technical skills.

A spokesman for the unit for student counselling at Stellenbosch University said graduates with general degrees like BAs, B Scs and B Coms had more difficulty in finding work than those with more specialised degrees.

In industry, there is a severe shortage of jobs for unskilled workers — and of workers and artisans for skilled jobs.

Bloody strike nears end

By CONNIE MOLUSI

BY late yesterday negotiations on the railway strike was on the verge of a breakthrough - the re-employment of thousands of fired workers being the stumbling block.

This turn in the 11-week strike marked by violence came after the South African Transport Services (Sats) in tough negotiations with the South African Railways and Harbours Union (Sarhu) this week agreed to take back 22 896 dismissed workers.

Sats agreed to re-employ all dismissed workers after initially insisting on employing only 50 percent.

Cosatu treasurer Ronald Mofokeng said at a Boksburg memorial service for eight railway workers who died in strike-related violence in Germiston last week that "the retreat of Sats on taking back all the dismissed workers is a victory, which has to be consolidated by demanding a reinstatement without loss

of benefits".

Lack of agreement between parties on whether workers should be re-employed, in which case they will lose their long service benefits, or whether they should be reinstated without loss of benefits, was referred to a mediator. The strike, which has been dubbed "industrial civil war" because of the level of violence, has seen more than 22 people killed and scores injured.

Sats has agreed to the union's demand of recognition, provided Sarhu registers with the Department of Manpower, enabling Sarhu to participate in this year's annual wage negotiations.

While tension seems to be easing in the Transvaal, one striker has been killed and another seriously injured in an attack in the Cape Peninsula. The two men, William Sibongile Rala and Mncedisi Ngcibi, were part of a group of workers on their way to a union report-back meeting in Salt River.

BUSINESS

Hundreds of companies affected by SADF cuts

THE defence cuts announced last week look certain to lead to a significant short term rise in unemployment. The immediate effect of the massive reduction in the programmes of the South African Defence Force and Armscor will be the retrenchment of at least 2 100 Armscor and about 2 300 SADF officers, men and staff, according to military representatives.

But the ripple effect will soon be felt throughout the economy, particularly in the up to 3 000 companies believed to be sub-contracting to Armscor.

According to Democratic Party President's Councillor and security expert James Selfe, the likely effect of the cutbacks will be "huge retrenchments, particularly in the mainstream Armscor group companies". He said companies dependent on Armscor contracts could be forced to cut their workforces by up to 40 per cent.

"What we're seeing is the whittling down of the military-industrial complex in which there has been enormous investment over the past decade. The cuts will have a huge impact on this sector of the economy".

The reductions are likely to facilitate a 20 percent reduction in the defence

Some 3 000 private companies supply Armscor and could be affected by the cuts in SADF and Armscor budgets, reports GAVIN EVANS

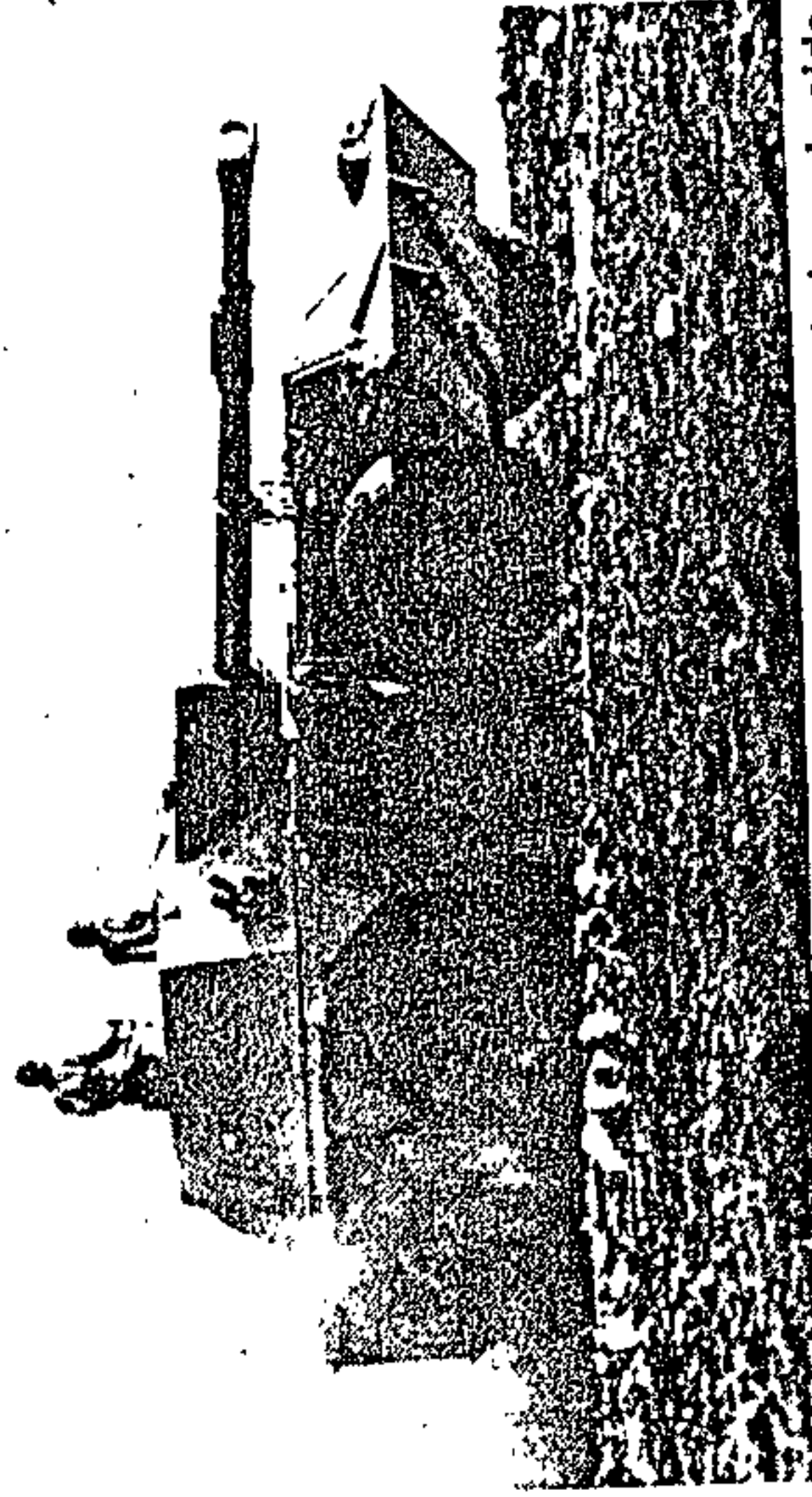
budget — from R10-billion to R8-billion.

Selfe said the halving of the period of initial military service from two years to one year could lead to R1-billion being cropped off the Defence vote with a further R1-billion cut from the Armscor account.

But the spinoff effect of what the generals are rather ominously calling a "leaner and meaner" SADF could be a reduction in taxation or a shift in expenditure to areas such as housing and education.

The halving of the period of initial military service will also increase the number of young white males, many of them with tertiary qualifications, on the job market.

The moves announced last week by acting Defence Force Chief Lieutenant-General Kat Liebenberg involve the withdrawal of aircraft, the scrapping of "mothballing" of several SADF projects and the closing down of military bases.



Armscor display a new tank — now new plans have to be put aside

The airforce will be affected by the

permanent withdrawal from service of five types of aircraft and the closure of six airforce bases.

The army's running costs will be "drastically curtailed" while 11 weapon and equipment projects would be cancelled and a further 49 will be reduced or suspended.

The army will also cancel a Kimberley-based training project for coloured soldiers and a horse breeding farm in De Aar. A total of 268 soldiers and employees will immediately

lose their jobs.

But the most dramatic effect will be felt by the navy which will lose 8,3 percent (2 000 members) of its full-time force.

The marines will be disbanded, five naval bases will be closed and the Simonstown and Walvis Bay bases and several Naval units will be scaled down. The Durban-based Naval Command East and the Naval Command West at Silvermine in Cape Town will also be disbanded.

SADF representatives say that

Armscor will be forced to lay off at least 10 percent of its more than 21 000 employees. It may also find itself having to cast around for buyers for several of its prize projects.

The SADF, for example, will no longer be buying its new attack helicopter, the Rooivalk.

Armscor is believed to be the third largest industrial concern in the country, owning 15 factories and wholly controlling eight major subsidiaries.

According to the 1986 Defence White Paper 100 000 private sector employees were kept in work by Armscor contracts, and the figure is believed to have grown since then.

It is likely that many of these will be affected by the cutbacks, and is possible that several companies will close down as a result.

What is not clear is where the savings on defence expenditure will be channelled.

The most popular option with business would be for the move to facilitate further cuts in taxation, but there are also strong pressures for the savings to be used to help solve the massive crisis in black education.

Another aggressive bidder is expected to be the SA Police.

Sats dispute toll now 22 380 sackings

3/11/90
THE Sats strike has entered 1990 with 22 380 workers fired in the eight-week-old dispute which has left at least 16 people dead and scores injured.

Sats will continue dismissing the remaining 3 551 striking workers, according to spokesman Ian Bleasdale.

No strikers were fired yesterday, but dismissals were expected to continue today.

The SA Railway and Harbours Workers' Union (Sarhwi) is expected to contact Sats this week with a set of proposals aimed at ending the dispute which has led to the dismissal of about a quarter of Sats' black labour force.

Sarhwi officials were unavailable for

comment yesterday as they were in a meeting.

Bleasdale said Sats's re-employment programme in Natal had been proceeding "very slowly, but we're hoping it will pick-up soon".

"We are also considering instituting the programme in areas other than Natal."

He said that no reports of violence or damage other than a fire at a station near Mamelodi early yesterday morning had been reported to him recently.

"Things are quiet and we're waiting for Sarhwi to contact us — hopefully later today (yesterday)," Bleasdale said.

Wages lost by striking workers so far totalled about R21m and damage to Sats property stood at R39m.

This figure, however, only applied to damage to "rolling stock" and excluded damage to property other than railway coaches, Bleasdale said.

The total breakdown of dismissed workers is:

- Natal — 12 128
- Southern Transvaal — 6 439
- Northern Transvaal — 1 517
- Western Cape — 1 011
- Free State — 611
- Northern Cape — 504
- Northern Natal — 170 — Sapa.

Racism claims at seaside market

South 335
11/21-7/2/90
21/2/90

By REHANA ROSSOUW

ALLEGATIONS of bad working conditions at the popular Hout Bay seafood emporium, Mariner's Wharf, have been made by workers claiming to have been dismissed unfairly.

They have also accused owner Mr Stanley Dorman of paying white casuals workers more than black staff.

"White casual workers get R4 an hour and others earn R3. It's wrong because we all do the same work," said a casual worker, still employed at Mariner's Wharf.

Workers claim they must work an eight-hour shift — from 7am to 3pm — before getting a tea break.

A worker, who is still employed at Mariner's Wharf and asked not to be named, said most of the staff were unhappy at the way they were treated.

Arrested

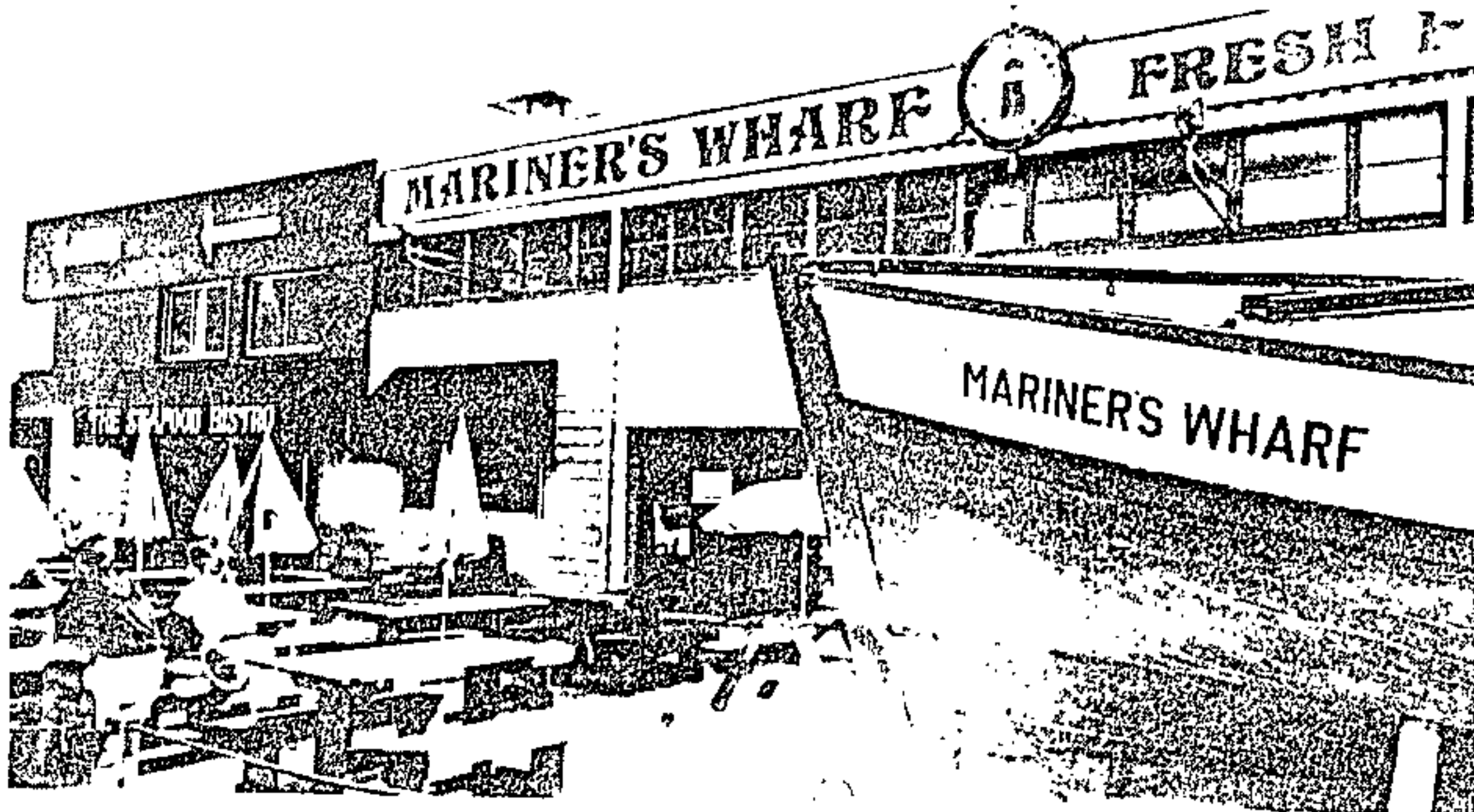
Dismissed worker Miss Veronica Douglas this week claimed she was arrested and fired in December after Mr Dorman alleged that she had stolen fish to give to the other workers.

"Two girls who work in the fish market asked me to bring them some fish and chips to eat because they know that other women working in the restaurant do the same.

"Mr Dorman saw me as I was taking the two pieces of fish to them and called the police and security.

"I was held in police cells for two nights and when I appeared in court, the magistrate let me off with a warning," Miss Douglas said.

Another former worker, Mrs Elizabeth Arendse, has instructed a lawyer to demand she be reinstated, claiming she was not given any reason for her dis-



Mariner's Wharf, unpopular with staff who claim working conditions are bad



Elizabeth Arendse

Veronica Douglas

missal two weeks ago.

Arendse said she had been paid R90 a week, which she felt was not a living wage.

"The women who clean the fish stand in water all day and have to work in their own shoes. They aren't given boots, not even in winter."

Mr Dorman said he was aware that some staff were paid more than others, but denied that the difference was based on race.

"We pay a transport allowance for casual staff who live outside Hout Bay

and for those who deal up-front with customers."

He said Douglas was arrested and dismissed because the other staff had not backed up her story that she was taking fish for them.

He said his staff had to show proof of purchase when eating fish on the premises, as he had had reports of stealing.

He denied that workers were not given boots to wear, saying this was something on which the Department of Health insisted.

'Historic victory' for Sats strikers

South 1408
11/2-7/2/90
21/2/90

From MONO BADELA

JOHANNESBURG. — The settlement that ended the 13-week bloody dispute between members of the South African Railway and Harbour Workers' Union (Sarhwa) and the South African Transport Services (Sats) has been hailed by Sarhwa general secretary Martin Sebakwane as "an historic victory".

Key features of the settlement hammered out last week are the re-employment of all 23 000 fired strikers without loss of pension benefits and the waiving of the strikers' disciplinary records.

Sebakwane said other "breakthroughs" included Sats' agreement to submit disputes over the return to work outside arbitration.

Sarhwa made no gains in terms of its original demand of a minimum monthly salary of R1500 but Sats has indicated it will re-negotiate wages in April.

Sats has also agreed to recognise Sarhwa and to bargain with the union where it is registered.

Membership

The union has already applied for registration in southern Natal. Sebakwane said Sarhwa was poised to register in many other areas.

Although the strike had been very costly, it had been "a tremendous boost" to the union which has 50 000 members.

"Membership has leapt during the strike and the union expects to win recognition countrywide," he said.

Sebakwane said there had been a flood of defections from the rival Black Trade Union (Blatu).

"There is overwhelming support for Sarhwa, with thousands leaving Blatu. Stop-orders forms are pouring in," Sebakwane said.

While the settlement is a major breakthrough in industrial relations at Sats, Sarhwa remains firmly opposed to taking part in the Labour Council.

Sebakwane said this was because the council was "undemocratic and discriminatory".

EGINNERS

EARLY LEARNING CENTRE
ATHLONE

APPLICATIONS ARE INVITED FOR

Fight against inflation to focus on labour next

01 Dec 21/90

GRETA STEYN

THE labour market will become the next focus in the fight against inflation because of unemployment and the inflationary effects of high pay rises.

Until now, the emphasis has been on tight monetary and fiscal policies. But Reserve Bank Governor Chris Stals sees the labour market as an essential third element in the anti-inflation drive.

In economics, there is no such a thing as a free lunch. Crushing inflation in a vice-grip of monetary and fiscal policy will lead to some unemployment.

Adherents of some forms of the "rational expectations" theory would argue that unemployment flowing from tight money policies is necessary to illustrate seriousness about fighting inflation.

People will adjust to the new environment and accept lower wages — unemployment will be a temporary phenomenon. In due course, wage

rates will decline to a level where the supply of labour will equal the demand.

In other words, the slower the rise in pay, the less the unemployment flowing from an anti-inflation drive. The "real world" implication of the theory is that restraint in pay rises would cut down on the casualties of a war against inflation.

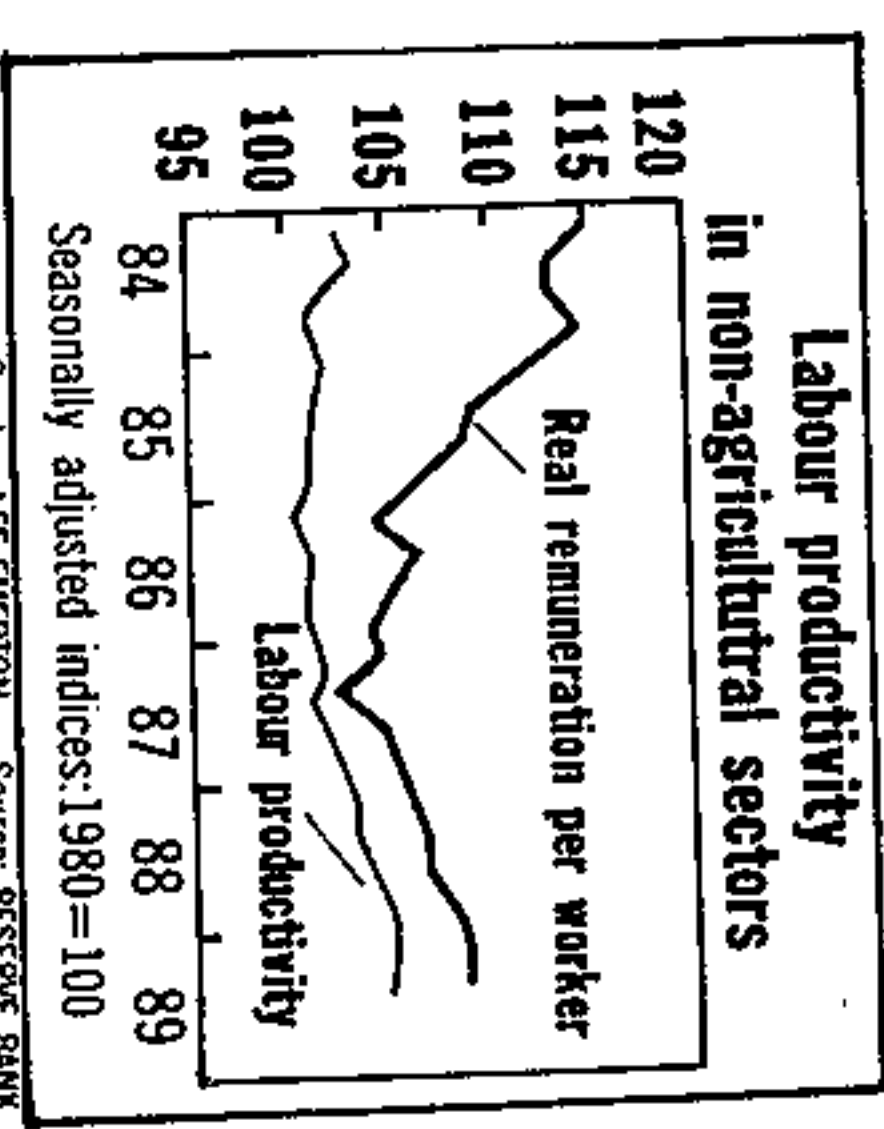
It can also be argued that restraint helps in the actual battle against inflation, as wage increases in excess of productivity increases have a cost-push effect on the inflation rate.

Labour productivity is a factor in the inflation equation that sometimes goes unnoticed, while money supply, budget deficits and exchange rates get all the attention. But higher unit labour costs have a ripple effect throughout the economy.

Real unit labour costs declined from 1985-1987, according to the Reserve Bank's Quarterly Bulletin, but

rose 0,3% in 1988 and at a year-on-year rate of 0,5% in the first quarter of 1989.

"Because of broadly similar rates of increase in labour productivity



REVIEW

and in the real wage per worker in the second quarter of 1989, real unit labour costs subsequently showed little further change during that period," the bulletin said.

But maintaining pay rises in line with growth in productivity will be difficult in a period of economic slow-down and still-high inflation.

Built in to demands for pay rises is an informal "indexation" principle, whereby wage rises are linked to increases in the Consumer Price Index.

While productivity could decline in a slow-down, wage increases linked to the inflation rate will simply help perpetuate inflation.

SA's economic policy makers have not ignored labour market implications for the battle against inflation.

Stals cannot be accused of having a narrow Friedmanite "money supply is all" view of inflation. But as a central banker, he naturally empha-

sises the monetary aspects of the inflation problem.

"Restrictive monetary and fiscal policy remain the two most important elements in the anti-inflation drive. But the success of these policies will depend on the third element — the labour market," says Stals.

"We can achieve much with really strict financial discipline, but rising labour costs in the current economic environment will put pressure on firms' profitability. The result will be higher unemployment levels."

If labour costs could be contained, unemployment flowing from anti-inflation policies could be kept to a minimum, he believes.

Stals has been reading about the Chilean inflation experience, and how reducing wages in nominal terms helped that country.

With a chuckle, he says: "Of course, they do have a military dictatorship. It helps when you want to introduce pay cuts."

Numsa wants to talk to Hofmeyr

By Drew Forrest

The National Union of Metalworkers has approached JCI chairman Mr Murray Hofmeyr for urgent talks after strikes erupted at two JCI companies on the East Rand.

About 200 workers were fired at Tilley Macmill in Wadeville on Wednesday after striking over discipline. Another 200 have downed tools over pay at nearby Stonestreet and Hansen.

Numsa has accused JCI's engineering arm, Lennings, of anti-union tactics.

Mr Hofmeyr said Numsa had not taken up an offer to meet Lennings managing director, Mr Dave Butcher.

Many unemployed are suffering

Police called in over missing UIF cheques

By Monica Nicolson

The Department of Manpower has asked police to investigate why hundreds of Unemployment Insurance Fund (UIF) cheques — worth tens of thousands of rand — go missing every year.

Missing cheques have created enormous frustrations. Some people are entirely dependent on them.

Department spokesman Mr F de Villiers said the aim of the investigation was to pinpoint exactly how the money was stolen so that steps could be taken to prevent fraud.

The Star visited the UIF offices in central

Johannesburg last week and found scores of people queueing for cheques.

They spoke of the nightmare of cheques going missing, outstanding payments, and the red tape involved in getting cheques reissued.

A mother of twins, Mrs A Moir, from Benoni, was still waiting for three maternity benefit cheques which became due last year.

"I have been to these offices four times, and I'm always told that the cheques have been stolen. I have filled out two affidavits in an attempt to get the cheques reissued, but seem to be getting nowhere."

Ms Collette Tilley of Johannesburg said she had not received a cheque for January, despite phone calls and visits.

She claims an official told her that all cheques printed on January 2 were stolen before being posted.

"When I asked when I would receive the outstanding cheque, I was told to phone weekly because they could be investigating a big fraud."

"I am getting a bit desperate and have already had to borrow money from my brother."

An elderly woman waiting to inquire about her sick benefit cheque said she relied totally on the money, but her cheques had gone missing on several occasions.

"If there is a problem paying me out, then I can't pay my rent or eat," she said.

Mr de Villiers said his department was concerned about all missing cheques because of the financial stresses which delays caused people.

Retrenchment: Workers win case

AK645
15/2/90
335

By DAVID YUTAR, Labour Reporter
A DECISION handed down by the Industrial Court has vindicated the right of employees to severance benefits on retrenchment and has provided relief to employees held to have been unfairly retrenched.

The test case was brought by the Legal Resources Centre on behalf of six employees who were part of a large group of employees retrenched by Bester Homes (Pty) Ltd during 1989.

It held that there was an obligation on the part of employers to pay severance benefits on retrenching employees of more than one year's service.

Failure to do so constituted an unfair labour practice.

The company concerned, which builds sub-economic housing on a vast scale, retrenched several of its employees, some of whom were of long standing.

The company refused to pay severance benefits.

The court held that the amount of benefits to be paid should be left to determination in the process of free and fair collective bargaining.

The court made an award of two weeks wages for every year of service, for employees with more than one year's service.

The court also confirmed an earlier decision reinstating two employees who were transferred to Port Elizabeth by Bester Homes in December 1989.

The other applicants were awarded three months wages in addition to two weeks' severance benefits per year of service.

Commenting on the court's ruling a Legal Resources Centre spokesman said: "The significance of this judgment is in its confirmation of the approach of enlightened employers in South Africa in providing severance benefits on retrenchment.

"It should provide welcome relief to employees in the building industry which on account of its cyclical nature is subject to frequent retrenchments."

Too few jobs, too many people, says bank report

Weekly Mail Reporter

THE number of jobs in the productive sectors of South Africa's economy increased by only 19 000 during the 1980s, while the economically active population, excluding the TBVC countries, grew by 2,5-million people to 10,7-million.

The figures are supplied in the latest *Nedbank Guide to the Economy*, which adds, however, that the growth of government countered this trend to some extent, providing employment for an additional 308 000 people. But this was partially offset by a 65 000 decline in South African Transport Services and Posts.

In the productive sector, mining employment declined from 715 000 in 1980 to 704 000 by August 1989. Manufacturing employment declined but by August last year was back to the 1980 level of 1,46-million people. Employment in construction peaked in the early 1980s at 447 000 but declined to 417 000 by last year.

During the 1990s the situation is likely to worsen, because there is likely to be no significant increase in either government or productive sector employment, says Nedcor economist Edward Osborn.

"Although there could be a steady expansion of employment growth in the private service sectors, there is unlikely to be an alleviating burgeoning of the government sector as in the 1980s."

Looking at the outlook for the manufacturing sector for this year, Nedcor economist Kevin Lings forecasts real growth for the sector of 1,5 percent, compared to an estimated 2,5 to three percent last year and six percent in 1988.

Manufacturing production was 4,5 percent lower in the third quarter of 1989 than in the same period in 1988, while average employment for the first half of the year was almost 3 500 down on the last half of 1988.

But Lings notes industries within manufacturing vary considerably on their sensitivity to business cycle

conditions. The food industry is the most stable, while the motor vehicle manufacturers are highly sensitive to the ups and downs of the business cycle. Other "highly sensitive" industries include textiles, furniture, transport equipment and electrical machinery. Industries in this category make up a quarter of total manufacturing output, and could experience very low or even negative real growth in 1990.

Industries of "average sensitivity" include iron and steel, metal and plastic products, printing and publishing. Some industries in this category have already experienced substantial falls in production of up to 10 percent.

"Relatively stable" industries include food, footwear, beverages, leather, paper and other chemical products. These industries, which together make up 37,5 percent of total manufacturing output, should show steady growth in the coming year.

Star 20/2/90 (335) (335)

Sats workers urged to reject redundancy

By Drew Forrest

Trade unions representing the majority of black and white railway workers are to urge their members not to accept SA Transport Services' surprise offer of voluntary redundancy.

In terms of the offer, which is linked to the looming commercialisation of Sats, workers who agree to quit by March 15 will receive at least three months' salary in severance pay.

The secretary of the 140 000-strong Federation of Trade Unions of Sats, Mr Abie Koekemoer, said members would be sent a circular advising them not to accept.

"We regret that management has linked the offer to privatisation. This confirms the left-wing union

view that privatisation will hurt workers," he said.

The federation — comprising recognised white, coloured and Indian unions — also feared that the offer would increase the workload of those left in Sats employment, he said.

The general secretary of the SA Railway and Harbour Workers Union, Mr Martin Sebakwane, said the offer indicated retrenchments were in the offing.

"Management should declare its hand so that the issue can be negotiated in the April wage talks," he said.

Sarhwa's commitment to the right to work, and its standing opposition to privatisation, meant it could not encourage members to accept the severance package, he said.

Despite major d the beer industr railways, reced have seen a sha wage strikes, n of Bargainers

Between Se this month, 38, tions culminat 56 percent dur Bulletin repor

It also show ment is down period, but re cial inflation

Other impo by the bulleti

Worker shot during picket is paralysed

A 28-year-old worker who was injured in a Johannesburg shooting last week has been told he will not be able to walk again.

Mr Sandile Hiya, of Transkei, was one of six men injured — one man was killed — when shots were fired during an incident involving picketing workers at a Pritchard Street building site.

Mr Hiya was shot in the neck and back.

He has been told he is paralysed and will be transferred from Johannesburg Hospital to Natalspuit.

The six were injured when a security guard fired shots at more than

100 workers, members of the Building Construction and Allied Workers Union.

Combrink Building Constructions dismissed the workers after a dispute.

Mr Johannes Madida and Mr Johannes Kgalati are in a serious condition at the Hillbrow Hospital.

The dead man is Mr Alpheus Bape-la (33) of Potgietersrus.

Mr Alfred Zibula and Mr Lucas Matlala were treated and discharged.

Captain Eugene Opperman, police liaison officer for the Witwatersrand, said the guard had fired a shot after workers tried to take his gun.

Wild Coast Sun employees strike

PORT SHEPSTONE — Nearly 2 000 members of the Commercial, Catering and Allied Workers' Union (Ccawusa) have stopped work at the Wild Coast Sun resort in the Transkei.

The organiser of the Port Shepstone branch of Ccawusa, Mr Michael Nsimbi, said the stoppage was due to wage and other grievances.

Sun International chief executive Mr Ken Rosevear said his organisation hoped to meet union representatives as a matter of urgency in order to settle the dispute.

At the moment the hotel is offering limited services and prospective visitors are advised to check on the South African side of the border whether they will be able to gain entrance or not. — Sapa.

ANC T-shirt at centre of dismissal row

5/2/90

By Monica Nicolson

335

A Soweto shampooist claims she was fired last week for wearing a Mandela T-shirt. The hairdressing salon maintains she was fired for always causing trouble with her employees and co-workers.

Mrs Grace Ncongwane says:

She arrived at work at Cut 'n Blow in Westgate, Johannesburg, last Thursday wearing a Mandela T-shirt under her overall.

"The manager called me into the kitchen and demanded I unbutton my overall because she believed I was wearing a radical T-shirt. She started screaming and demanded I take it off. I refused since I had nothing else to wear — so I was fired."

When she reported to the hairdressers' head office in Northcliff to pick up her cheque the next day, she asked why her monthly salary had been decreasing — from over R500 in December to R355 in February.

"They told me to wait, then called the police and said I was threatening them and causing trouble."

She received no severance pay.

A Cut'n Blow spokesman says:

Mrs Ncongwane was not fired for wearing a Mandela T-shirt only.

"She was a trouble-maker, always inciting the other shampooists. She received two verbal warnings and three written warnings so we had no choice but to dismiss her."

"Refusing to take off or cover up her T-shirt was just the last straw," the spokesman said.

She said the Industrial Court had advised the company that it was within its rights to fire her.



Mrs Grace Nglongwane claims she was fired for wearing this T-shirt to work.

Retrenched Indaba staff seek advice

Star 21/2490 (335)
Own Correspondent

DURBAN — Disgruntled staff who have been retrenched by the kwaZulu Natal Indaba are to seek legal advice on taking industrial action at the manner in which they were given their marching orders last Friday.

A total of 17 people were axed on Friday.

This was done to ensure the organisation's "relevance and effectiveness in the rapidly changing South African political environment", said the Indaba's executive director, Mr Peter Mansfield.

The move also appeared to be the result of funding problems which "have become evident during the past two months".

Retrenched staff plan to discuss their grievances, which includes the severance pay they have been offered, with their attorneys.

Some also plan to lodge complaints with the Department of Manpower.

The decision to retrench staff was instigated by a special committee which was formed last week and, according to a staff member, acted very swiftly, "possibly too swiftly".

Those affected by the retrenchments include associate director Mr Peter Badcock-Walters and political lobbyist Professor Dawid van Wyk.

Sacked after joining union

THE Paper, Print, Wood and Allied Workers' Union is taking legal action on behalf of 25 Atlantis cane workers who were fired earlier this month allegedly for joining the union. *South 22/2 - 28/2/90*

The workers, who were employed at Weavers' International, earned between R40 and R50 a week.

A Ppwawu spokesperson said the company had refused to speak to the union which then threatened court action if the workers weren't reinstated.

Two days before the deadline for reinstatement, the factory was burnt down. *(335)*

Few Sats workers take up resignation offer

26/2/90

By Des Parker

(335)

DURBAN — Very few Sats employees are taking up the resignation package offered to them before the organisation takes the first big step towards privatisation on April 1.

Only 11 of 22 000 people in Natal have so far opted to resign in terms of the deal, says a Sats Natal spokesman.

The voluntary resignation package was offered to staff as an opportunity for employees who did not wish to continue working for the newly styled organisation to leave.

The spokesman says there has been some discontent among staff since the massive union strike a few weeks ago and with the advent of privatisation.



Part of the crowd in Maokeng who marched onto the city council building demanding the reinstatement of fired municipal police.

Two die as cops fire into crowd

Sowetan 27/2/90

335

TWO people died and five were injured yesterday when more than 20 000 Maokeng residents, near Kroonstad, marched to the local town council demanding reinstatement of 700 municipal workers who were dismissed last September.

The marchers, including children, stayed away from work and school and were confronted by municipal police on their way to the local town council. All shops in the township were closed and buses and taxis were not operating.

In the confrontation which ensued municipal police opened fire into the crowd, killing 10-year-old Pule Rabanye and George Makitla (18).

Five others were admitted to Boitumelo Hospital.

The hospital superintendent would not give *Sowetan* permission to interview the injured and referred all inquiries to the police.

An SAP spokesman in Pretoria last night confirmed the incident and added that the municipal police were forced to open fire when a group of people attempted to set the

OWN CORRESPONDENT

community hall on fire. He said a bus and a delivery van were stoned.

When *Sowetan* arrived on the scene the chanting and flag-waving group had assembled near the local town council offices, but were stopped from proceeding to Kroonstad's council offices by a contingent of police.

Petition

However, a four-man delegation was allowed to hand over a petition to Maokeng mayor, Mr C Koekoe, and the local chief of the police.

The petition demanded:

- *The reinstatement of dismissed workers;

- *That police should refrain from harassing activists;

- *The return of activists' confiscated possessions;

- *That councillors should resign;

- *The lifting of the state of emergency and the freeing of political prisoners.

In a report back meeting held later it was announced that a con-

sumer and rent boycott campaign would start with immediate effect until the sacked workers have been reinstated.

It was also resolved to boycott shops and taxis owned by councillors.

A spokesman for Maokeng Democratic Crisis Committee (MDCC), Mr Dennis Bloem, said they had decided to embark on these actions after four consecutive applications to stage a march were turned down by a local magistrate.

UDF publicity secretary and former Deimas treason trialist, Mr Patrick "Terror" Lekota, who was given a standing ovation at the report back meeting, said the country was on the verge of transformation and people were poised to grab power.

Mr Lekota urged the crowd to continue the struggle in a disciplined and orderly manner. He said freedom was not for the chosen few to live in luxury while the majority of the people lived in poverty. He also urged the youth to aim for higher education to live a better life and have better opportunities in future.



A youth waving a clenched fist during the march.

200 Armscor workers retrenched

By DAVID YUTAR
Labour Reporter

NEARLY 200 workers who are precluded by law from joining a trade union have been retrenched at the Firgrove and Wellington plants of Somchem (Pty) Ltd — the chemical-manufacturing affiliate of Armscor.

A spokesman for the company declined to give details of exactly how many employees were retrenched.

Some of the employees would be retiring on pension, others were taking early retirement and some were retrenched.

COMPENSATION

The spokesman described the retrenched workers as "young single persons without dependants", adding that the company had shown through research that they could "easily be absorbed in the labour market".

"We have done our homework and contacted other companies in the Western Cape and are satisfied these people can find alternative employment," he said.

Adequate financial compensation had been arranged for the employees affected.

stop 11/31/90
Miners down
tools over
severance pay

By Drew Forrest 335

SA's first strike over re-trenchment benefits in the mining industry has erupted at Genmin's Marievale gold mine.

And the National Union of Mineworkers says 90 percent of the 11 000 workers at the group's Kinross mine have voted to strike over this and other issues.

Genmin could not be contacted, but NUM assistant general secretary Marcel Golding said the Marievale action, involving 300 workers, started on Tuesday. Genmin had obtained a court interdict against the strike.

Central to the dispute were demands for two weeks' severance pay for every year of service. The company was offering one week.

Mr Golding said 300 workers were retrenched at Marievale last year and the mine appeared to be winding down.

He also said management had proposed mediation to settle the Kinross dispute.

Monday 1/3/90.

Dispute at AECI plant over union's dismissal demand

335

ADELE BALETA

AT LEAST 5 000 AECI strikers yesterday rejected management's proposed reinstatement deal aimed at ending the seven-day strike in the Modderfontein plant's ammonia department, the SA Chemical Workers' Union (Sacwu) said.

The strikers, who are Sacwu members, are demanding that a white fitter who assaulted a black assistant be fired.

Sacwu said it had rejected AECI's proposal that a black worker, fired last year for assaulting a colleague, be reinstated in exchange for the union dropping its demand that the fitter be dismissed, union spokesman Humphrey Ndaba said yesterday.

Management comment was not available at the time of going to press.

Ndaba said the fitter had been found guilty of assault and reprimanded at a disciplinary inquiry.

He said the issuing of a reprimand contradicted AECI practice of dismissal in assault cases.

□ About 550 workers at the Rolfes chemical factory near Johannesburg embarked on legal work stoppages this week to back a demand that the company take part in the union-initiated chemical industry national provident fund.

"The company has refused for two years and has been unable to give any coherent reason. Management is now provoking workers by issuing disciplinary warnings," the Chemical Workers' Industrial Union (CWIU) said.

Company comment was not available at the time of going to press.

□ The Paper, Printing, Wood and Allied Workers' Union (Ppwawu) and Sappi Enstra Mill management begin mediation today in an effort to resolve the two-week strike by more than 900 workers.

Meanwhile, talks have failed in three-week wage strikes at Sappi's Novobord Mill in Port Elizabeth, where about 500 workers are out, and the Ngodwana Mill in the eastern Transvaal where about 1 000 workers are on strike.

South 1/3 - 713/20

Plant closes

335

GRAHAMSTOWN. — More than 170 Eastern Cape brick workers are facing retrenchment, following the announcement that the Grahamstown branch of Corobrik will close in mid-April.

Corobrik managing director, Mr Ken Andrews, said the closure was a result of the low demand for bricks.

M & R and Consol scrap factory deal

~~483~~ ALAN FINE ~~232~~

A MULTI-million-rand deal between Consol and Murray & Roberts, involving the sale to M & R of Consol's Germiston plastics factory, has been scrapped.

Consol director Hennie Stroh confirmed M & R had notified Consol just 15 minutes before the agreement was due to go through on Wednesday, February 28, that it was walking away from the deal.

However, Stroh denied the deal had fallen through because of a two-day strike in protest against it by the factory's 250 members of the Chemical Workers' Industrial Union (CWIU). The strike began on February 28. *Blom 573190*

Stroh said M & R had cancelled the transaction because it had been "unable to come to a satisfactory leasing arrangement with the landlord of the property".

He added this did not mean the deal could not be resurrected. Consol had decided to withdraw from the plastic flexibles business as it believed the sector to be saturated.

Right now the factory was running and Consol was keeping its options open, Stroh said. ~~(4404)~~ ~~(133)~~

The CWIU said at the weekend its members had staged a "factory occupation" to object to the conclusion of the deal by Consol and M & R behind their backs — "particularly the items which affected workers".

The deal, the union said, was to include the retrenchment of more than 100 workers and the transfer of others. The company had informed the union of the cancellation of the deal on March 1, and further negotiations on the status of the factory and the workforce are to be held between CWIU and Consol. *(335)*

Stroh confirmed plans to retrench the employees, and said the company was talking to the union about the matter. He said the union had been informed in October of the pending deal.

Sowetan 6/3/90

Strike follows dismissal in N Tvl

MORE than 300 members of the Food and Beverage Workers Union employed by Potgietersrus Tobacco Corporation went on strike to demand the reinstatement of a worker who was dismissed for shouting "Viva Comrade" at a bus stop, the union announced yesterday.

A FBWU official, Mr Theo Ramalamula, said the strike follows the failure by the two parties to reach an agreement over the dismissal.

Accused

He said a disciplinary hearing was held early this year where Mr Piet Bambo was accused of shouting political slogans.

He said the union contended that chanting slogans was not a crime, especially if this was done at a bus stop after work.

He said several foremen who were not union members had complained to management.

The receptionist at NTC said yesterday all senior company executives were in a meeting and not available for comment.

Strike ends at AECI's Modderfontein plant

AT LEAST 5 000 striking SA Chemical Workers Union (Sacwu) members will return to work at AECI's Modderfontein plant today after a settlement of their 12-day strike. *Blom 713190*

AECI's industrial relations manager André Botha said five union members who were dismissed for assault over the past two years would be re-employed.

The strike was sparked by demands for the dismissal of a white fitter who

ADELE BALETA

was found guilty at a disciplinary enquiry of assaulting a black assistant. The fitter was reprimanded. *335*

Botha said although the workers could sign new employment contracts, suspensions without pay, final warnings and demotions would be enforced.

"We have lessened the severity of the

disciplinary action," Botha said.

It was also agreed by the parties to arbitrate on the dismissal of another two workers or to agree to a financial settlement. The fitter would remain employed by the company, Botha said.

Sacwu said in a statement yesterday the union helped colleagues who were dismissed under an inconsistent industrial relations policy.

higher wages.

March to demand

cheaper food

PENSIONERS, unem-
ployed workers and
public servants are
among those expected to
take part in a march on
parliament this weekend
to demand cheaper food.

The march, organised by
the National Unemployed
Workers' Co-ordinating
Committee and the Unem-
ployed Workers' Move-
ment, will start at Green-
market Square on Saturday
at noon.

An NUWCC spokesper-
son said the protesters
planned to march to par-
liament to demand that the
Minister of Finance, Mr
Barend du Plessis, in-
crease the bread subsidy
and scrap GST.

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Putco fires 400 striking workers

Star 9/3/90 Labour Reporter

Putco yesterday fired about 400 Wynberg depot workers whose week-long strike has cut off bus transport for thousands of black commuters.

Warning it would take some time to relaunch the service, Putco managing director Dr Jack Visser said workers asked to be dismissed when management refused to pay them for the strike period.

Comment could not be obtained from the Transport and General Workers Union.

This week, the strikers' demand for the removal of the Wynberg divisional manager was effectively met when the manager in question decided not to return to the depot.

Additional demands were then made, including a pledge that strikers would not be disciplined. Putco agreed to this.

Help increases for unemployed in W Cape

Staff Reporter AR643 12/3/90

INCREASING unemployment and the high demand for jobs in the Western Cape has led to the expansion of an unemployment advice project launched in Heideveld last year.

Since August, the Heideveld Unemployment and Advice Office has found jobs for more than 1 250 people, said one of its director, Mr Abduragiem Booth.

It has now been renamed the Western Cape Unemployment and Advice Office and will serve the greater Peninsula.

DONATIONS NEEDED

"We are a registered welfare organisation and rely on public donations to help the 7 000 people registered with us.

"There are 75 trained volunteers counselling unemployed people and trying to find them jobs. We only accept applicants after a thorough investigation into their backgrounds."

Mr Booth appealed to companies to make use of their services and also for contributions.

The Western Cape Unemployment and Advice Office (☎6372386) is at the Welcome Shopping Centre, 71 Third Street, Welcome Estate, Heideveld.

5 000 black teachers decide to end strike

More than 5 000 striking teachers from Soweto and Alexandra yesterday conditionally suspended their protest and will resume lessons tomorrow.

The decision was made after a mass meeting organised by the National Education Union of SA (Neusa) at the Regina Mundi Church in Soweto.

Teachers decided to return to their posts tomorrow but to embark on stoppages throughout the year until the Department of Education and Training had met their immediate demands, a Neusa spokesman said.

Among the immediate demands were that school inspectors and subject advisers end their visits as they were of no value to teachers; extra-mural activities be suspended as they aggravated the heavy workload; and the termination of DET-sponsored upgrading courses on the grounds that the extra lessons for teachers reinforced the methods of the past and the content did not take into account the changing circumstances of black communities.

Long-term demands included the reinstatement of retrenched teachers, the employment of more educationists, a minimum wage of R1 500 a month and an across-the-board increase of R500 a month when the annual increments come into effect next month.

The strike over poor teaching conditions and facilities began 10 days ago. About 215 000 pupils in the Johannesburg region were without tuition. — Sapa.



CONFRONTATION . . . A policeman and an ANC woman confront one another in the city yesterday during a planned protest against cutting the bread subsidy. The planned protest did not take place.

Picture: OBED ZILWA

Police arrest 70 protesters

Staff Reporter

SEVENTY people were arrested in the city centre yesterday as a huge concentration of police prevented pupils and unemployed workers from marching in protest against the slashing of the bread price subsidy.

Three truckloads of protesters were taken to Caledon Square. All were released on R50 bail each last night.

The march was organised by the Unemployed Workers' Movement (UWM) and the National Unemployed Workers' Co-ordinating Committee (NUWCC). Marchers had permission to march from the city council, but not from a magistrate, UWM treasurer Mr Shayeed Mohammed told the Cape Times.

Police could not confirm or deny reports that buses had been turned back, that pupils had been prevented from buying train tickets at Guguletu and other stations to come into town and that some township pupils had been dispersed by force.

About 20 people were arrested in Long Street on their way to the Metropolitan Methodist Church Hall, where they were scheduled to meet. About 100 others inside the hall then decided not to march, but to go to the Grand Parade where one of the buses was waiting.

As they left the church, walking and toying on the pavement, police swooped on them and began loading them into a truck.

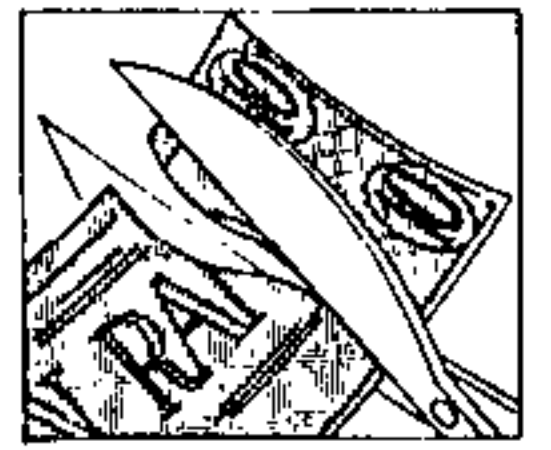
Clashes broke out as the protesters, screaming and struggling, fought against being manhandled into the truck. Several of those who had still not been arrested formed up once more and defiantly continued singing and dancing.

A third truckload was arrested and afterwards police warned bystanders to disperse before action was taken against them as well.

• Cape Town City Council reported last week that the likely rate of unemployment in the metropolitan area is about 27%.



Economic decline has already cost 1-m jobs



R71 546-m estimated for State spending



Picture: DION TROMP, The Argus.

BUDGET SECRETS: A smiling Minister of Finance Mr Barend du Plessis keeps his Budget speech safe from prying eyes in his briefcase before heading for Parliament to reveal all today.

Minimum tax possible for companies, taxpayer

THE possibility of introducing a minimum tax on both companies and individuals was already being considered by the Tax Advisory Committee (TAC) and this investigation would continue during the year, Mr Du Plessis said.

The introduction of such a tax would be aimed at limiting the practice of existing tax concessions, introduced for economic purposes and which could be phased out over a period of time, being abused for tax purposes.

Mr Du Plessis also said the Commissioner for Inland Revenue had launched an investigation into the introduction of a system of self-assessment for income tax.

As a first step, companies had been identified for this purpose, and this sphere of investigation had already reached an advanced stage.

Inland Revenue officials recently undertook research overseas in this regard, and acquired valuable information.

"The indications are that such a system could be successfully implemented in South Africa and Inland Revenue's proposals will shortly be discussed with interested parties."

The 1990 income tax return for companies had been adapted to provide information necessary for a conversion to a self-assessment tax system. — Sapa.

'New' politics boosts finrand

A MORE favourable perception of political developments in South Africa by non-residents had led to an appreciation in the financial rand by 22 percent between August and December last year, Minister of Finance Mr Barend du Plessis said today.

In his expanded budgetary review he said the effective exchange rate had fallen by 3.8 percent in 1989.

This had occurred mainly in the first part of the year and after it had reached a low on September 18 1989, it subsequently rose by seven percent.

However, after the rise at the end of last year, the financial rand fell back up to March 7 this year. — Sapa.

maintain monetary ties with SA

relations with South Africa for a while at least.

temporary agreement to end would have to be concluded until Namibia decided on membership of the Common Monetary Area.

It did agree, it would promote that the rand be legal currency in Namibia and that Namibia, at present, would have

access to South African money and capital markets and to the foreign exchange market.

This would be very similar to South Africa's arrangement with Swaziland, which has its own currency but is part of the Common Monetary Area.

"Bearing in mind the high degree of economic integration of the two countries, an agreement

of this kind would contain great advantages for them both," the review said.

Financial and trade operations between the countries would only flourish once uncertainties were removed.

"Discussions on the maintenance of the existing monetary relations have already reached an advanced stage," it said.

By MICHAEL MORRIS, Political Correspondent

SOUTH Africa's declining economic performance has cost the country more than a million job opportunities in the past decade, according to the Budget review.

And, it warns, unless the "serious structural problems" that beset the economy are halted, the country's economic performance will fall further — with the growth rate possibly dropping below the average for the 1980s of 1.8 percent — and South Africa will fail to meet the demands for jobs and rising living standards.

The review says: "To relieve unemployment and increase average welfare will require, as part of a broad restructuring programme, an increase over the next five years of at least 40 percent in the average domestic savings ratio and the productivity of capital."

Sustained high inflation is singled out as the cause of many of South Africa's economic problems and the review defines it as a "structural problem itself".

"In the balance-of-payments dimension it surfaces in the deteriorating competitive position of our producers, on local and international markets alike and, to the extent that poor export performance causes exchange rate depreciation, inflation is exacerbated by rising costs springing, in particular, from the import of capital and intermediate goods.

"The paralysing grip of inflation and other price-distorting factors on economic growth and employment is reflected in the course of certain economic ratios."

The review also spells out where the government will lay emphasis in tackling structural aspects of the economy.

"SAVINGS"

"The South African economy must be restructured to raise the standards of life of the whole population. Since the private sector is a very important and indispensable generator of economic growth, factors that can facilitate the raising of the income- and work-generating ability of the sector must be promoted."

Factors highlighted for attention are inflation, the shortage of trained manpower and encouraging personal savings to increase capital funds.

The review says events such as the Third World debt crisis, the American budget and current account deficits, the economic development of regions in Asia and the reforms in Eastern Europe have so increased investment opportunities that "South Africa can scarcely look in the foreseeable future for any notable augmentation of domestic savings by long-term foreign loans or investment capital."

Others factors to receive attention will be the reduction of the tax burden on households to free money for productive purposes, encouraging responsible wage bargaining to help contain inflation and raise employment, promoting the competitive ability of industry, and ensuring that the relative prices of labour and capital reflect their scarcity.

In line with long-term planning, fiscal discipline will be maintained and corporatisation, privatisation and deregulation will continue.

"Vital" short-term goals are protecting the balance of payments, strengthening the country's gold and other foreign reserves and bringing down inflation.

Monetary policy stays tight; aims to cut supply

Political Staff

FINANCIAL authorities have ruled out a relaxation of monetary policy at this stage. They aim also to sharply reduce the money supply this year.

Restrictive economic measures introduced last year had the main financial aggregates moving in the right direction now, according to a Department of Finance budget review tabled in parliament today.

But monetary authorities believe the level of increase in domestic credit and in the money supply, as well as the present inflation rate (15.1 percent), are still too high.

"Neither is the level of the country's gold and foreign reserves yet satisfactory," it said. "So it is still too early to relax monetary policy."

The Reserve Bank would continue efforts to cut money supply. In the last quarter of 1989, it was 23.5 percent higher than the same period in 1988.

FOREIGN EXCHANGE

It was not only necessary to reduce the money supply to less than 18 percent as soon as possible, but the Reserve Bank was also considering a target for the end of this year still lower than that.

The review said Dr Chris Stals, Governor of the Reserve Bank, would make an announcement on this.

The bank's net gold and foreign reserves increased by R2.9-billion in the first two months of this year.

On foreign exchange, the review said the Reserve Bank had intervened actively to prevent the rand appreciating more than it did.

It had bought "large sums" of foreign exchange in January and February because:

- There was uncertainty about the duration of the improved foreign exchange market.

- An appreciation in the rand would not have been in South African exporters' short-term interests, and

- The bank thought it necessary to replenish its own foreign reserves when the opportunity arose.

South Africa was not able at this stage to relax existing exchange control measures. The financial rand was still needed

Political Staff

THE government estimates it will spend R71 546 million (not including contingency reserves) in the coming year — up R6 365 million over the revised estimate of R65 181 million for last year.

The breakdown is (last year's figures in brackets): State President, R15.9 million (R17.5 million). Parliament, R36.9 million (R56 million). Bureau for Information, R41.3 million (R47.9 million). Foreign Affairs, R3 795 million (R3 255 million).

Constitutional Development Services, R14.4 million (no separate listing last year). National Education, R204.9 million (R148.2 million). Defence, R10 070 million (R9 937 million). Mineral and Energy Affairs, R1 133 million (R786.9 million). Privatisation, R2.5 million (not listed separately).

Justice, R430.8 million (R348.6 million). Prisons, R878.1 million (R751 million). Administration, House of Assembly, R7 657 million (R6 400 million).

Finance, R1 140 million (R1 188 million). Audit, R1 000 million (R47.2 million). Manpower, R328 million (R216.2 million). Administration, House of Representatives, R3 245 million (R2 742 million). Administration, House of Delegates, R1 171 million (R1 000 million). Police, R2 927 million (R2 496 million).

Environment Affairs, R177.9 million (R160.6 million). Water Affairs, R351.6 million (R374.7 million). Trade and Industry, R2 215 million (R1 484 million). Development Aid, R5 119 million (R5 014 million). Education and training, R2 642 million (R1 952 million).

Home Affairs, R241.1 million (R173.1 million). Transport, R1 508 million (R1 509 million). Public Works and Land Affairs, R1 893 million (R1 730 million). National Health and Population Development, R719.4 million (R2 680 million). Planning and Provincial Affairs, R408.1 million (no department before).

Agriculture, R302 million (R288.7 million). Commission for Administration, R407.3 million (R277.1 million). Improvement of conditions of service, R1 921 million (R41.3 million).

Prospects for gold brighter

PROSPECTS for the gold price looked considerably brighter than in the previous year, the Minister of Finance, Mr Barend du Plessis, said in his Budget review today.

He said the dollar price of gold had increased sharply since November 1989 and in spite of short-term fluctuations, the gold price could rise even further.

A greater investment demand for gold was caused by uncertainty over exchange rate movements as well as political events in Eastern Europe. — Sapa

Fewer job opportunities in the country last year

335

Sowetan
15/3/90

EMPLOYMENT by the public authorities increased at a relatively high rate in the first nine months of 1989 in spite of a significant reduction in personnel by the South African Transport Services, Mr Du Plessis, said yesterday.

In contrast, the rate of increase in employment in the private sector had contracted markedly while employment in mining and in electricity generation declined.

The slower rate of increase in employment than in the economically active population implied

a corresponding increase in unemployment.

An additional disturbing development in the labour market during 1989 was the increase of almost 18 percent in the nominal wage per worker in the non-agricultural sectors of the economy in the first nine months.

Increase

The only justification for an increase in remuneration higher than the inflation rate should be an equivalent or higher increase in the productivity rate.

After a sharp increase

in 1988, the rate of increase in the output per worker slowed down markedly in the first nine months of 1989.

In the first eight years of the past decade 1 098 000 job opportunities were lost through production and employment stagnation, the Minister said.

He said the labour market in South Africa had deteriorated and 860 000 job opportunities had been lost from 1980-87.

By the following year this had risen to over a million while the supply of labour increased by al-

most 3 percent per annum as a result of population growth.

In addition the supply of young people with at least Standard 8 qualification had grown by at least five percent per annum since 1980.

A complicating factor was the increasing disparity between employed people, whose wages had increased sharply through collective bargaining since 1980, and the masses who were not allowed to accept work at lower wages and therefore remained unemployed.

Economic slide has cost SA 1-m job opportunities

582 15/3/90 335

POLITICAL STAFF

South Africa's declining economic performance has cost the country more than 1 million job opportunities in the past decade, according to the Budget Review tabled yesterday.

And it warns that unless the "serious structural problems" that hinder the economy are halted, the country's economic performance will fall further — with the growth rate possibly dropping below the average rate for the 1980s of 1,6 percent — and South Africa will fail to meet demands for jobs and higher living standards.

The Review says: "To relieve unemployment and increase average welfare will require, as part of a broad restructuring programme, an increase over the next five years of at least 40 percent in the average domestic savings ratio and the productivity of capital."

Sustained high inflation is singled out as the root cause of many of our economic woes.

"In the balance of payments dimension, it surfaces in the deteriorating competitive position of our producers, on local and international markets alike, and, to the extent that poor export performance causes exchange rate depreciation, inflation is exacerbated by rising costs springing, in particular, from the import of capital and intermediate goods."

Sketching the background of the structural problems in the economy, the Review says that although company saving as a proportion of the Gross Domestic Product grew from the 1970s to the 1980s, an "increasing portion of the country's

available capital funds had to be applied to the maintenance of existing assets".

In the same period, domestic savings dropped, relative to GDP, by more than 60 percent.

Claims of a non-capital nature on Government spending rose faster than the average tax burden, which itself rose sharply. "Total domestic savings, relative to the GDP, fell by nearly 30 percent from the 1970s to the 1980s.

"At the same time, events such as the Third World debt crisis, the American budget and current account deficits, the economic development of regions in Asia and the reforms in Eastern Europe have had so drastic an impact on investment opportunities and thus on international capital movements that South Africa can scarcely look in the foreseeable future for any notable augmentation of domestic savings by long-term foreign loans or investment capital."

South Africa would probably have to continue using part of its domestic savings to repay debts. The use of capital had deteriorated and there was a serious shortage of technical and entrepreneurial skills.

Efforts to tackle problems associated with low living standards and poverty through job creation "clearly demands a growing economy, and excessive claims on that economy will therefore have to be guarded against".

"Vital" short-term goals are protecting the balance of payments, strengthening the country's gold and other foreign reserves, and bringing down inflation, the Review adds.

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Petition for more buses

Putco dismissals hit commuters

By Helen Grange

About 800 000 bus commuters in Alexandra and Johannesburg's northern suburbs are suffering intense transport shortages following the dismissal last week of 400 Putco workers.

With Putco buses at a standstill in this area, Randburg municipality buses are heavily overloaded daily by residents of Alexandra and according to one commuter, these buses are breaking down as a result.

Overloaded taxis

A petition among residents in the northern suburbs has been started demanding more buses from the municipality and Johannesburg traffic department to cope with the crisis.

Meanwhile, the Alexandra community is pressuring Putco management to reinstate the Putco workers. The halt to the service has forced them to get up hours before work to catch over-

loaded taxis. There are lengthy queues for these taxis, fares are increasing and trips to and from work are dangerous.

The Putco workers were dismissed last week after a protracted strike over the continued employment of the divisional manager, at the Wynberg depot.

When the manager decided to leave for "personal reasons", the jubilating workers then demanded that they be paid their normal wages for the duration of the strike, according to Putco managing director Dr Jack Visser.

A dangerous precedent

"We have tried to be reasonable, but we are definitely not prepared to pay out for this illegal strike and set a dangerous precedent," said Dr Visser.

Dr Visser said the company was not employing other workers because of the intimidation experienced in Durban when this strategy was used.

"We will not endanger people's lives," he said.

Ppwawu wave of unrest grows

South 15/3 - 21/3/90

THE wave of industrial unrest in the paper and wood industry continued this week with thousands of workers on strike at 10 plants around the country.

Members of the Paper, Print, Wood and Allied Workers' Union (Ppwawu) have been locked in a bitter conflict with industry giants Mondi and Sappi over wage disputes since the beginning of the year.

In terms of a Supreme Court interdict granted last Friday, strikers at Sappi's Novobord plant in Nelspruit are prevented from entering the factory

and have been evicted from company housing.

The company is seeking a further urgent interdict in the industrial court on the grounds that the strike is illegal in terms of the Labour Relations Act (LRA).

Workers this week also downed tools over wage demands at the Lion Match factory in Durban.

Meanwhile, strikes are continuing at Mondi's Bruply Sawmills in Elgin and Stellenbosch as well as at Mondiply, two Paperwaste plants and the Richards Bay paper plant.

A marathon strike by about 2 000 workers at the Sappi

mills at Ngodwana and Enstra in the Transvaal has entered its fifth week.

The workers are demanding a R1,30 across-the-board increase on the hourly rate; the company is holding out for 64 cents.

Settlement was reached last month after a seven-week-long strike at four Mondi Board Mills.

The paper industry is dominated by Mondi and Sappi, which are subsidiaries of Anglo-American and Gencor respectively.

The two conglomerates also own forests and sawmills.

Bus drivers call for solidarity

South 15/3 - 21/3/90

THE Alexander Action Committee (Aco) is campaigning for the reinstatement of about 400 Putco drivers dismissed from the bus company's Wynberg depot near Alexandra township in Johannesburg last week.

The drivers were dismissed after they refused to work until a manager was moved from the depot.

Aco president, Mr Moses Mayekiso, said Aco had called for a boycott of Putco busses until the

workers were reinstated and was calling on other civic organisations to assist in pressurising the company.

Aco has had several run-ins with Putco over fares and the quality of bus services in the townships.

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Protest South 15/3 - 21/3/90 against poverty

BY CHIARA CARTER

UNEMPLOYED worker representatives will meet the Minister of Finance, Mr Barend du Plessis, later this month to discuss "endemic poverty" in South Africa.

And, although police prevented a protest march on Monday, the unemployed have vowed to continue their campaign for cheaper food.

This week, the National Unemployed Workers' Coordinating Committee (NUWCC) and the Unemployed Workers' Movement (UWM) sent a letter of protest to Mr Du Plessis.

The letter also contained shock figures on malnutrition.



Students and unemployed workers demonstrate in front of the Methodist Church, Greenmarket Square. Police prevented a protest march and arrested 70 people.

250 grooms fired after pay strike

Sowetan 15/3/90

ALL 250 grooms at the Ashburton Training Centre, Maritzburg, were escorted off the centre's premises by riot police yesterday morning when they were fired after going on strike, apparently over a pay dispute.

Police were present while trainers and grooms held discussions and grooms were eventually escorted off the premises

by the police. Race horse trainer

David Goss said that despite the fact that there were no grooms to take the horses to Scottsville for today's meeting, the horses would still be racing.

Dispute

"We will show them we can get the horses there without them," he said.

Asked how he intended getting the horses to the race without the

grooms, he said that was "our problem" and it would be sorted out.

It is not clear from officials at the Centre what the dispute with grooms is about.

Mr Goss did not elaborate on the terms of the dispute saying the grooms "would not listen to us."

He said he also believed the strike was politically motivated but added that this was only his personal opinion.

SAA in crisis as engineers quit

By Drew Forrest

South African Airways faces a crisis over the resignation of key technical staff in response to the voluntary redundancy package offered to the entire Transnet workforce last month.

Insiders said services at Jan Smuts Airport could be disrupted by the imminent departure of up to 170 ground engineers who have accepted the package.

Other departments may also be affected.

They said crisis meetings between union representatives and top management had been in progress all week in an effort to convince engineers to stay.

One source said SAA's plans to provide extra flights had already been shelved.

Transnet (formerly SA Transport Services) declined to comment on the reports.

Senior labour manager, Mr Vic van Vuuren, said 4 600 employees had taken up the offer, which expired yesterday, but could not provide a breakdown of the categories of worker affected.

UNPREPARED

Employees who accept the offer, which provides for a minimum of three months' pay, are bound by it and will not be able to return to Transnet for three years.

Sources said Transnet had expected mainly unskilled workers to quit, and had been caught unprepared by mass resignation of technicians.

They added that Transnet had

given no indication in its original announcement that the offer was discretionary and applications had been automatically processed.

"Ground engineers work long hours, and those who are staying have refused to put in additional overtime," added one source, who said he had "no doubt" SAA services would be affected.

A key problem, he said, was that many licensed engineers — those responsible for certifying that planes are fit to fly — had quit.

It is unclear whether attempts to roll back the tide of resignations has met with any success. But sources said some workers in the NDT (non-destructive testing) section had been persuaded to reconsider.

businessmen at a Wits Business School
to one another.

Lifeline for over-40s

SI Times 18/3/90

335

THE lack of jobs for highly skilled people over 40 has prompted the establishment of a unique personnel agency.

About a month ago, Benjie Puterman started RMS personnel consultants which caters for experienced personnel aged 40 years and over.

Mr Puterman says there seems to be a trend today that men and women over the age of 40 are considered to be over — or going over — the hill, which he considers ludicrous.

"We are going through a phase now of economic and political development and growth which demands more and more skilled peo-

ple. Industry is turning to immigrants to meet these requirements.

"Yet we have a vast reservoir of skilled people in SA in the over-40 category who are in the prime of their creative years.

"There appears to be a stigma attached to them which is making it more and more difficult for these people to get suitable employment."

Kelly Personnel is one of the few agencies in SA which does cater to some extent for older people. In 1974, it established the Senior Citizens Employment Agency.

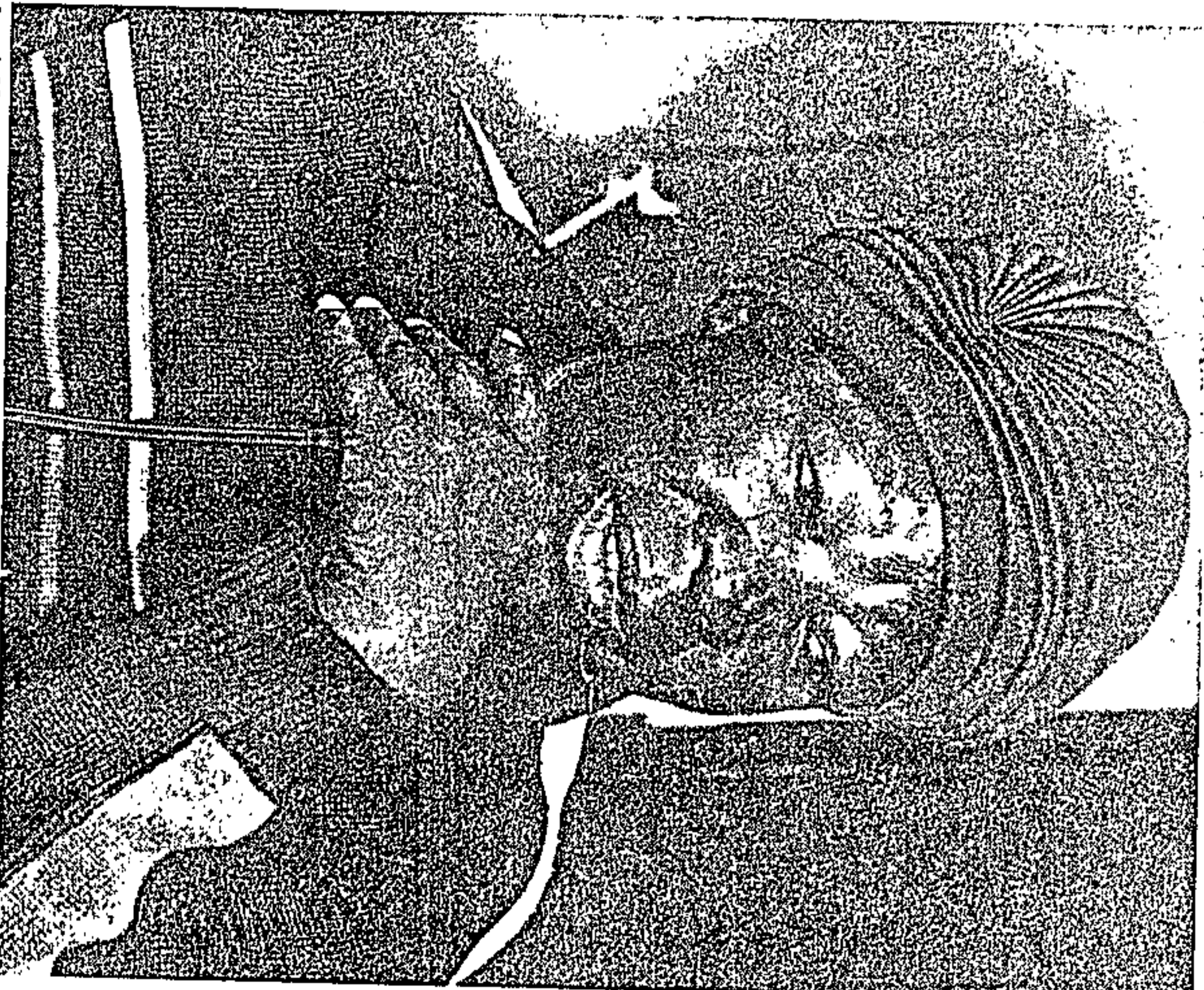
This agency finds posi-

tions for senior citizens, such as accountants, bookkeepers, office managers, storemen, secretaries, works supervisors and many others.

However, Mr Puterman says according to his experience the people who are often most affected are technical people — those with artisan, technikon or university training.

He is therefore catering for these people in particular.

At present, Mr Puterman is inviting all people in this predicament to contact him on (011)640 1684 so that he can build up pool of experienced personnel.



Leah Mogapi... claims she earned R55 a month. ■ PIC: EVANS MBOWENI.

No joy for sacked domestic worker

By SOPHIE TENA

A DOMESTIC worker fired after toiling for 12 years for a pittance cannot obtain compensation as there are no laws that bind an employer to certain wage scales.

Leah Mogapi, 65, was paid R55 a month to work in the Nuweling household in Johannesburg.

With that she was expected to keep the home fires burning at her Potchefstroom home, support herself and her mother.

Mogapi claimed that from the R55, she sent R45 to her aged mother, leaving her with only R10 to look after herself.

Unlike some domestic workers who are earning up to R400 a month and enjoying fringe benefits, Mogapi could not even open a saving's account.

... as she falls foul of poor labour laws

Her employer, Mrs Nuweling, refuted these claims, saying Mogapi had worked for the family for seven years. The employer also said she was earning R60 a month, not R55.

Nuweling thought there was nothing wrong in paying Mogapi "R60 a month" because "she stayed in my yard, ate my meals and I also clothed her", she said.

Nuweling said: "And when she got a holiday break she would go to her family in Potchefstroom and would only return after two to three months."

"I paid her off because she complained that she was losing

her eyesight and was going blind.

"I then gave her R400 for two months' salary, pension fund and for long service."

But Mogapi tells a different story. She claims to have worked for the Nuweling family for 12 years, managing their 10-roomed house without ever getting a day off, except on the day when she was scalded by boiling water.

She told *City Press* of an incident in December last year when she was admitted to hospital after boiling water spilled over her.

She was kept in hospital until

the end of January when she was discharged.

"After I was discharged from hospital I returned to work but only worked for the month of February because my employer told me that I was old and could not continue working for her."

"She gave me R200 which she said was my salary for the months of January and February, and the rest was for long service and pension fund."

Mogapi, has since been to the Black Sash for help.

Beulah Rolnick, of the Black Sash said: "It is disgusting to find that there are employers who exploit their employees so brutally."

"But it disturbs me because there is nothing we can do to help Mogapi, as there are no laws that bind employers to certain salary scales for domestic workers."

City Press 18/3/90

335

AT LEAST three striking probationary prison warders have been fired and 174 full-time warders have been suspended from duty at Diepkloof Prison, near Johannesburg, the SA Prisons Service told Sapa in a telephone interview yesterday.

SAPS said apart from stoppages at the Johannesburg Prison (Diepkloof) no other members of the SA Prison Service are presently on strike. Diepkloof staff stopped work about a week ago over pay and conditions of service.

"On March 19 the commanding officer of the Johannesburg Prison Command served notices of suspension on 174 members in terms of Section 15 of the Prisons Act," the SAPS spokesman said, adding: "A further three probationary warders have also been served with notices for the termination of their services."

There was ample op-

Striking prison warders fired

portunity for personnel to raise grievances with management of SAPS and the Prisons Act and regulations provide for an effective procedure for such grievances to be "responsibly dealt with," he added.

"Comprehensive steps have already been in-

itiated to identify predicaments and grievances within the SA Prisons Service.

"Given the financial and other realities, these matters will be investigated and addressed systematically in the short, medium and long term." - Sapa.

Putco urges return of 400 fired strikers

20/3/90 Labour Reporter

Putco has distributed 30 000 leaflets urging black residents to persuade fired Wynberg depot workers to reapply for their jobs.

However, the pamphlets — and newspaper advertisements — stress that Putco will not meet workers' demands for payment during the strike.

The pamphlets had been distributed in Alexandra, Johannesburg and the Soweto area, said Putco managing director Dr Jack Visser.

Putco's Wynberg operation remains suspended after the dismissal of 400 strikers. Some 800 000 Alexandra and northern Johannesburg commuters have been without Putco transport since the strike began a month ago.

Transnet's skilled white workers opt for retrenchment

246 ADELE BALETA

B/P 20/3/90

MOST of the 5 881 employees who accepted Transnet's retrenchment offer were white, skilled workers, Transnet spokesman Vic de Vries said yesterday.

He said they represented 2,3% of the 180 000-member workforce. In Johannesburg, 585 workers accepted the retrenchment package; in the western Cape 500; in Durban 496; and in Port Elizabeth 169.

De Vries said figures on the grades affected by the retrenchments were not immediately available but most were white, skilled workers.

Federation of SA Trade Unions general secretary Abe Koekemoer said he was disappointed as he had not expected "so many white workers would take up the offer."

"Transnet assumes that we can do without the skilled labour but it means that the rest of us are now going to have to carry the burden. We will have to work harder."

"We advised our members against it as we did not think it was a good deal. Workers' acceptance of the offer is an indication that people are not happy," he said.

Transnet's senior manager, labour relations, John Smith said he did not believe the workers leaving would have a serious impact on the organisation.

"New people will be trained to fill vacancies. We are concerned, but at least we know where we stand. The reason for the offer was to enter the arena of privatisation with employees who want to go along with us," he said.

Star 20/3/90

(182)

(253)

174 warders suspended from duty

(335)

At least three striking probationary prison warders have been fired and 174 full-time warders have been suspended from duty at Diepkloof Prison, near Johannesburg, an SA Prisons Service spokesman said yesterday.

He said that apart from those at Diepkloof, no other Prison Service members were on strike.

Diepkloof staff stopped work about a week ago over pay and conditions of service.

The spokesman said there had been ample opportunity for personnel to raise grievances with Prison Services management, and the Prisons Act and regulations provided for an effective procedure for such grievances to be "responsibly dealt with".

"Comprehensive steps have already been initiated to identify predicaments and grievances.

The spokesman said an investigation under the leadership of top officers was already working on a "macro-plan" to deal with all problems in an imaginative and responsible manner.

Sapa.

5 881 Transnet staff opt for retrenchment deal

Nearly 6 000 workers at Transnet have opted to take advantage of a retrenchment package offered to them as part of the commercialisation of the old South African Transport Services.

The final bill for voluntary retrenchment of Transnet staff in terms of the corporation's pre-commercialisation retrenchment offer could be as high as R90 million.

According to Transnet, 5 881 employees from within the corporation met last Friday's deadline to accept the offer.

It appears that South African Airways was hit hardest with about 600 acceptors. This is exacerbated by the fact that many of these were key personnel who will have to be replaced.

In terms of the conditions of severance they cannot be re-employed by Transnet for at least three years.

This will mean either costly training by SAA or the severance conditions will have to be revised.

Blacks were not persuaded by the the invitation to sever their service.

Only 937 of the total Transnet black staff — who comprise the majority of the employees — were willing to accept the package.

The statistics read that among the whites 3 504 males and 1 438 females agreed to take the retrenchment package.

Overall, the total number of acceptors was 3,2 percent of Transnet's total labour force of 170 000.

Transnet spokesmen insist the offer was a one-off package which will not be repeated. — Sapa.

*21. Mr K M Andrew—Planning and Provincial Affairs. [Question standing over.]

Regent Road, Sea Point: satellite police station

*22. Mr C W EGLIN asked the Minister of Law and Order: *Handwritten: 20/3/90*

(1) Whether the South African Police is considering closing down the satellite police station in Regent Road, Sea Point; if so, why;

(2) whether he will give an assurance that the station will not be closed down until adequate and effective alternative crime prevention and policing facilities exist in that part of Sea Point

B518E

†The MINISTER OF LAW AND ORDER:

(1) and (2).

This matter is at present receiving attention. As soon as a final decision has been taken I will inform the hon member accordingly.

*23. Mr E W Trent—Defence. [Withdrawn.]

Strand, factory: retrenchments

*24. Mr R R HULLEY asked the Minister of Defence:

Whether any workers have been retrenched at a certain factory in the Strand, the name of which has been furnished to the South African Defence Force for the purpose of the Minister's reply; if so, (a) how many, (b) on whose orders, (c) for what reasons and (d)(i) when and (ii) by whom were these workers advised that they were to be retrenched?

Handwritten: 20/3/90 B520E

†The DEPUTY MINISTER OF DEFENCE:

Yes.

335

(a) 252.

(b) The Board of Directors of the company.

(c) The decision was taken as a result of cuts on the workload of the company which followed cuts in the 1990/91 SA Defence Force budget.

(d) (i) On 27 and 28 February 1990.

(ii) The Management of the company.

*25. Mr P G SOAL—Planning and Provincial Affairs. [Question standing over.]

HOUSE OF ASSEMBLY

Orange Farm settlement camp: schools

*26. Mr P G SOAL asked the Minister of Education: *Handwritten: 20/3/90*

(a) How many schools are there at the Orange Farm settlement camp, (b) what is the name of each such school and (c) how many pupils can they accommodate?

B522E

†The MINISTER OF EDUCATION:

(a) 5

(b)

Names of schools

(c) Number of pupils that can be accommodated

Orange Farm Public

920

Primary School

Ooguiswive Primary (Private) Particulars not available

School

Mpanza Primary (Private) Particulars not available

School

Tsakane Sizwe Pri- (Private) Particulars not available

mary School

Black Forest Sec- (Private) Particulars not available

ondary School

Inward industrialisation

*27. Mr H H SCHWARZ asked the Minister of Trade and Industry and Tourism:

Whether any steps are contemplated to implement, encourage and further the policy of inward industrialisation; if not, why not; if so, what steps?

Handwritten: 20/3/90 B523E

†The MINISTER OF TRADE AND INDUSTRY AND TOURISM:

Inward industrialisation is not so much a strategy as a process; the government is not in a position to "implement" it by fiat, but should rather be seen as removing obstacles to what is actually a perfectly "natural" process in any industrialising country.

The essence of inward industrialisation, in the South African case, is a growing mass demand for basic goods and services with high labour intensity but a low import coefficient: in particular, housing. Inward industrialisation is the flipside of urbanisation; and, to the extent that government is promoting or encouraging

urbanisation, it is advancing inward industrialisation. *Handwritten: 20/3/90*

Indeed, the provision of physical and social infrastructure on the periphery of the metropolitan areas is itself part of the initiating impulse of inward industrialisation. This opens up the whole vista of government's housing and education policies; or, at a wider remove, of its social spending as a whole.

Inward industrialisation naturally rests also on a broad base of small-scale economic activity in both the formal ("small business") and informal sectors. The former is being promoted through various bodies, notably the Small Business Development Corporation, an institution that has been and is receiving substantial financial support from government (including R60 million in the Budget of 14 March 1990). The informal sector is growing appreciably, and is being promoted by means of deregulation and training programmes.

A macro element in inward industrialisation is the raising of labour intensity in production. As was stated in the Budget speech, government is seeking to bring about a situation where the relative prices of labour and capital better reflect their relative scarcity. The pursuit of positive real interest rates (accepted as a guiding principle by government) will contribute to this.

Inward industrialisation can also be said to rest on a redistribution of income towards those with a high propensity to consume. The latest Budget involves just such a shift.

The government's dramatic R3 billion upliftment and development fund is bound to accelerate the whole process of inward industrialisation.

Prison labourers: tariff paid by employers

*28. Mr D J DALLING asked the Minister of Justice:

With reference to his reply to Question No 17 on 20 February 1990, what is the current daily tariff paid to the Government by private employers of prison labourers?

Handwritten: 20/3/90 B525E

†The MINISTER OF JUSTICE:

(Reply laid upon the Table with leave of House)

TARIFF SCALE A (URBAN AREAS, DEVELOPING TOWNS AND INDUSTRIAL COMPLEXES) *Handwritten: 20/3/90*

Weekdays : Prisons Ser-vice guard

: Salary of special guard per day plus R1,40 per prisoner per day to a maximum of five (5) prisoners per guard.

: Hirer's guard : R1,40 per prisoner per day.

Saturdays : Prisons Ser-vice guard

: Half of the salary of special guard per day plus R1,10 per prisoner per day, to a maximum of five (5) prisoners per guard.

: Hirer's guard : R1,10 per prisoner per day.

TARIFF SCALE B (RURAL AREAS)

Weekdays : Prisons Ser-vice guard

: Salary of special guard per day plus R1,15 per prisoner per day to a maximum of five (5) prisoners per guard.

: Hirer's guard : R1,15 per prisoner per day.

Saturdays : Prisons Ser-vice guard

: Half of the salary of special guard per day plus R0,75 per prisoner per day, to a maximum of five (5) prisoners per guard.

: Hirer's guard : R0,75 per prisoner per day.

The above-mentioned tariffs are revised from time to time on the basis of inter alia the following factors:

- the hirer's expenses involving the wage of his guard;
- transportation cost;
- limited number of hours which a prisoner can work and the relative lower productivity; and
- the current minimum scale of wages.

HOUSE OF ASSEMBLY

252 Strand Armstrong jobs lost

AN Armstrong factory at The Strand had retrenched 252 workers as a result of reduced work by the company following the cuts in the Defence budget, the Deputy Minister of Defence, Mr Wynand Breytenbach, said yesterday.

The management of the company told the workers they would be retrenched on February 27 and 28, he said in reply to a question tabled in the House of Assembly by Mr Roger Hulley (DP, Constantia).

The decision to retrench the workers was taken by the directors of the company, whose names he did not disclose.

"The decision was taken as a result of cuts on the workload of the company which followed cuts in the 1990/1 SA Defence Force budget," Mr Breytenbach said.

Staff Reporter,

SOME former SAA staff members who recently took retrenchment packages which precluded them from seeking re-employment with SAA for three years are back at their posts — and are earning more per hour than their colleagues who decided to stay on.

An SAA staff member — a computer operator who declined to be identified — said that 10 people in an SAA office in Cape Town had taken up a retrenchment offer on March 15.

Staff were being laid off because of privatisation, she said. Those who left voluntarily had been paid an amount equivalent to three months' salary, plus a pro-rata amount of their annual bonuses and a "resignation benefit" from their pension fund based on their length of service.

Some had asked, while considering taking the package, whether they would later at least be allowed to come in on a temporary basis, and they had been told that they could not.

However, she said, those who had nonetheless come back to the same office on a temporary basis were now earning R11,50 an hour, which was more than some of those who had stayed on were getting.

SAA public relations officer Ms Janie van Vuuren said yesterday that since the retrenchment packages had been taken up, the airline had been

Retrenched SAA staff back at work

Cape 1178 23/3/90 335

experiencing problems in some of its offices at peak times.

"As a very temporary arrangement, we have asked former staff to come in and help out for a couple of hours a day. They get paid per hour, and they have no guarantee that they will have their job again the next day."

She said SAA was recruiting new people which it would train to operate the computers, and as soon as they were ready they would be employed and the temporary staff would no longer be needed.

She could not say whether those who were being recruited would be paid less than the temporary staff were being paid.

"Permanent staff members are not paid per hour," she said. "They get a remuneration package which includes medical aid and pension benefits."

The number of retrenched staff members who were coming in on a temporary basis in Cape Town "could probably be counted on the fingers of one hand", Ms van Vuuren said.

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A Fort Beaufort Youth Congress spokesman said black staff at Fort Beaufort prison protested in solidarity with suspended warders.

Retrenched SAA staff rehired at top rates

CAPE TOWN — Some former SAA staff members who recently took attractive retrenchment packages which precluded them from seeking re-employment with SAA for three years are back at their posts and earning more per hour than some colleagues who decided to stay on.

An angry SAA staff member — a computer operator who declined to be identified — said that a few of the approximately 10 people in an SAA office in Cape Town who had left voluntarily

5 10 am 23/3/90
were back on a temporary basis.

SAA public relations officer Janie van Vuuren said yesterday the airline had been experiencing problems in some of its offices at peak times and had asked former staff to help out "for a couple of hours a day. They get paid per hour."

She said SAA was recruiting and training computer operators and then temporary staff would no longer be needed.

Own Correspondent

Gandhi wants to launch SA scholarship fund

WINDHOEK — Former Indian prime minister Rajiv Gandhi yesterday announced his intention to start a \$30m Nelson Mandela scholarship fund for black SA students because of what he had seen in Namibia.

He was joined by US civil rights leader Jesse Jackson and SA church leader Allan Boesak at an impromptu Press conference in Windhoek.

The money would come from the Non-aligned Movement and Gandhi said he had already discussed the idea in detail with Zambian President Kenneth Kaunda. He

BILLY PADDOCK

8/10 am 23/3/90
would raise the idea with Zimbabwe President Robert Mugabe today.

Gandhi said the idea was prompted by the experience of Namibia "where SA had removed vital educational equipment and resources during the run-up to Namibia's independence".

Under the plan, the initial \$30m would be used to establish 500 scholarships for black students.

Rockman is fired from police force over strike action

01/04/90 23/3/90

CAPE TOWN — Police and Prisons Civil Rights Union (Popcru) president Lt Gregory Rockman was fired by Police Commissioner Gen Johan van der Merwe yesterday afternoon.

Van der Merwe said in a statement: "I announce that I have dismissed two more members of the SA Police force this afternoon as a result of the stipulations of Article 17b of the Police Act due to their involvement in strikes." He said one was Rockman, reports Sapa.

It was also reported that policemen and prison warders are to march on Parliament on March 30 to demand increased salaries and housing subsidies.

The march will form part of the Popcru labour action which began on Wednesday with a strike. The strike has already led to the suspension of 68 warders and the dismissal of 39 policemen.

It was called to demand the reinstatement of all suspended members and to call on government to negotiate with the union on grievances in the police force and Prisons Service.

Rockman said yesterday the strike would continue until the union was recognised. Dismissed policemen would continue demonstrating outside police stations.

Our Cape Town correspondent reports that Rockman

said his dismissal was a temporary setback and he vowed that he would be reinstated "in the new SA".

Rockman said sit-ins were held in the grounds of Worcester, Brandvlei, Johannesburg, Bloemfontein, Fort Beaufort, Stutterheim, Grahamstown, Kirkwood, George, Oudshoorn, Mossel Bay, Ladysmith, Cape, and Polismoor prisons and at police stations and prisons in Queenstown and King William's Town.

He claimed policemen at stations at Duncan Village, East London and Glamorgan also held sit-ins.

A Fort Beaufort Youth Congress spokesman said black staff at Fort Beaufort prison protested in solidarity with suspended warders.

Star 23/3/90

Strike under control, says police chief

Coetsee denies 568 warders were fired

By Peter Fabricius,
Political Correspondent

CAPE TOWN — Justice Minister Mr Kobie Coetsee has denied that 568 prison warders were dismissed or suspended because of their membership of the Police and Prisons Civil Rights Union (Popcru).

Mr Coetsee told Parliament yesterday that the action had been taken against the warders because they had gone on strike. He said "after long and positive involvement with personnel who were not performing their normal duty, several members were suspended and a few probationary warders were dismissed".

"In the meantime several members have negotiated with the commanding officer concerned and have been reinstated in their posts."

He said the position on March 23 1990 was that 564 members

had been suspended and four dismissed.

Meanwhile the Commissioner of Prisons, Lieutenant-General W H Willemsse, has stated that contingency plans at prisons provide for abnormal circumstances and that the situation at the 11 prisons which were involved in the strike was under control.

Mr Coetsee was replying to questions from Mr William Meyer, MP for Robertson, who also asked him if he intended recognising Popcru.

Process of negotiation

Mr Coetsee said the rights and responsibilities of trade unions were governed by the Labour Relations Act which was not applicable to the prisons service.

The Public Service Act stipulated that members of the services were excluded from the process of negotiation and giving advice

by means of staff associations and trade unions at the Joint Advisory Council and Central Bargaining Council of the Public Service.

The Prisons Act made no provision for the rights and privileges of trade unions.

He said that SA Prisons Services were part of the essential services.

There was a communication channel for complaints and grievances to be channelled to the highest level.

All members were aware of it and it had always been the policy of the prisons service to deal actively with all complaints and grievances.

"As a matter of fact, service conditions have recently been improved in respect of medical benefits for black members," he said, referring to a recent decision that dependants of prison staff would join the prisons medical scheme on April 1.

Star 28/3/90

Strike under control, says police chief

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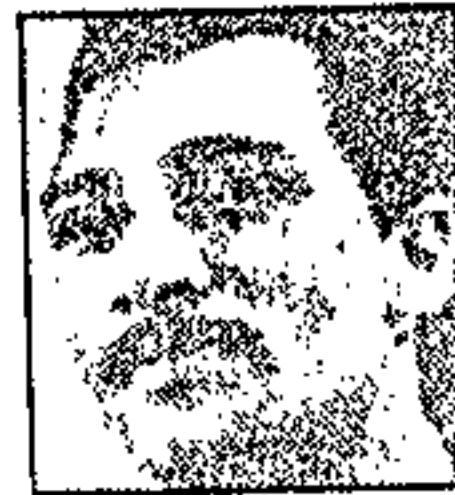
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Rockman is fired by Commissioner



Gregory Rockman

CAPE TOWN — Rebel policeman Lieutenant Gregory Rockman has been fired by the Commissioner of Police, General Johan van der Merwe.

The lieutenant welcomed the news yesterday as "a victory for justice", but said he intended to discuss the matter with his lawyers.

He also said the Police and Prisons Civil Rights Union, of which he is president, intended to make an urgent application for a Supreme Court interdict against Wednesday's dismissal of 39 Eastern Cape policemen who participated in a Popcru sit-in.

In a statement to Sapa, General van der Merwe said he had dismissed two more members of the police force because of their involvement in strikes.

Department of Law and Order spokesman Brigadier Leon Mellet said that one of the two was Lieutenant Rockman.

The lieutenant said: "I'm happy they have fired me. This shows they are not serious about real reform and change in South Africa.

"I will still keep on fighting them until the day we move into the new South Africa, where the emphasis in the police will be to serve and protect."

Lieutenant Rockman, who has been under suspension without pay since November after taking part in a Popcru demonstration, this week refused to continue voluntary participation in an internal police disciplinary hearing against him.

On an SABC radio programme last night, the Minister of Law and Order, Mr Adriaan Vlok, said the police were reviewing whether members of the SAP should continue to be allowed to join a registered political party.

"The SAP must serve all the peoples of South Africa."

Mr Vlok also announced that from April 1 all black policemen would enjoy the same medical aid benefits as their white counterparts, thereby meeting a major grievance.

Until then, dependants of black policemen will not be covered.

● Policemen and prison warders are to march on Parliament next Friday to demand increased salaries and housing subsidies, as part of the Popcru strike.

In East London, 29 warders from the Queenstown Prison and 13 warders from the Fort Beaufort prison embarked on separate protests yesterday.

— Sapa and Crime Reporter.

TRANSNET management must be feeling slightly sick at the way its retrenchment package offer has turned out. The majority of the 5 881 workers who accepted the generous offer made by the corporation towards the end of February are skilled white workers.

This is bound to put even more of a strain on the already depleted middle and upper management complement.

Considered logically, the acceptance by the more highly skilled workers was inevitable. They will have little difficulty in finding employment in the private sector, and are walking away from

Transnet boomerang

S/Twines 25/3/90

Transnet with a fat cheque in their pockets and no worries about future privatisation.

According to the retrenchment package, Transnet stands to pay out almost R90-million and in the process lose a large chunk of its skilled personnel.

In terms of the conditions of severance those accepting the package deal cannot be re-employed by Transnet for at least three years, which means it will cost millions of rands to recruit or retrain people to fill their positions.

For almost five years, Transnet (formerly the SA Transport Services) has been drastically cutting back on its staff. Employee numbers have dropped 27%, from 233 986 on March 1 1985 to the current 170 000.

Although Transnet spokesmen will not confirm it, one of the obvious reasons for the sharp reduction in staff numbers must be the future commercialisation of the corporation.

The retrenchment package was another means of reducing personnel, but it appears to have backfired badly. The last people Transnet would have wanted to lose were its skilled staff — treated as white gold in SA where the skills shortage becomes more acute every day.

It appears that SA Airways (SAA) has been hardest hit, with about 600 acceptors. Many of them are key personnel who will have to be replaced at great cost to the corporation.

To the delight of the SA Railway and Harbour Work-

ers Union (Sarthwu), blacks generally declined the invitation to leave Transnet. Only 937 of the total black staff — who comprise the majority of employees — were willing to accept the package.

Those who did accept were 3 504 white men and 1 338 women. Overall, the total number of acceptors was 3,2% of Transnet's labour force of 170 000.

The Federation of SA Trade Unions is not quite as happy as Sarthwu. General secretary Abe Koekemoer points out that the smaller skilled staff will place a greater burden on the remaining members of this group.

39 policemen fired over Popcru strike

CAPE TOWN — More than 600 prison warders have been suspended and 39 policemen dismissed country-wide since the prisons and police strike started on Wednesday last week, according to former police lieutenant Mr Gregory Rockman.

Mr Rockman, president of the

Police and Prisons Civil Rights Union (Popcru), said the strike would continue until recognition was given to the union, all dismissed and suspended personnel were reinstated and serious negotiations were started to resolve problems.

Pretoria police spokesman

Major Reg Crewe last night confirmed that 39 policemen had been dismissed.

A Prisons Service spokesman said last night that figures on the number of warders suspended could not be released. Unions were not recognised by the Prisons Service, she said. — Sapa.

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Star 26/3/90

600 fired in jails strike

By MATSHUBE
MFOLOE

MORE than 600 prison warders and 39 policemen have been dismissed, and more than 500 warders suspended in a week-long strike, president of the Police and Prisons Civil Rights Union, dismissed policeman Gregory Rockman, has claimed.

He said 86 warders were suspended at Pollsmoor; 262 at Diepkloof (Johannesburg); 131 at Fort Glamorgan (East London); nine at Mossel

Bay; two each at George; Oudtshoorn and Ladysmith (Cape); 39 at Grahamstown; 13 at Fort Beaufort; 12 at Stutterheim; 39 at King Willim's Town and 29 at Queenstown.

Police have confirmed that 34 policemen in Duncan Village, East London, have been dismissed.

Popcru vice-president W/O John Jaansen said the strike would

continue until the authorities recognised the union.

Jaansen warned the government yesterday to immediately reinstate all dismissed and suspended members.

The strikers "immediate demands" should be met before any negotiations to resolve grievances could start.

Prisons Services spokesman Lieutenant General WH Willemse confirmed that warders from various prisons

had recently participated in "illegal strikes".

He said after talks with the prison authorities, some striking members had decided to resume their duties.

However, a total of 564 members at 11 different prisons had "an uncompromising attitude" and were still on strike.

This left Prisons Services with no option but to suspend the members concerned in accordance



Dismissed policeman
Gregory Rockman

with Section 15 of the Prisons Act (1959), pending the outcome of further investigations.

"Members of the prisons service provide an essential security service to the community which cannot be interrupted or scaled down," a Prisons Services statement said.

B/pan
29/3/90 (335)

Police and prison union
demonstration broken up

Own Correspondent

CAPE TOWN — Police broke up a lunch-hour placard demonstration by the Police and Prison Civil Rights Union (Popcru) at the Grand Parade yesterday and arrested 12 demonstrators.

The demonstrators were demanding the reinstatement of 680 suspended members.

Police confirmed that 11 men and one woman had been arrested and later released on R100 bail.

Former police lieutenant and Popcru executive president Gregory Rockman, who was at the scene, criticised the police for their "hard-handed action" and said Popcru members were showing their disillusionment with the current state of affairs in the police and prisons departments. He said their peaceful protest had been met by "brutal reaction" from the police.

Rockman, sporting a Viva Mandela T-shirt, said he had had 13 years' experience in the police and he believed police were acting "outside their powers when they break up peaceful demonstrations with such brutal force".

He said a big Popcru march would be held on Saturday from Greenmarket Square to Tuynhuys to hand a list of grievances to government.

He said city council and magisterial approval would be sought.

"But if they deny us permission we will march in any case and I will be there to lead them."

He said the sit-in strikes at prisons would continue.

COMPANIES

335

6 754 jobs lost at three Genmin mines in 1989

B/Dam 29/3/90

A TOTAL of 6 754 people lost jobs at three Genmin mines in 1989 as a result of cost-cutting, annual reports released yesterday disclose.

Grootvlei and Stilfontein chairman Gary Maude said 1 700 jobs were lost at Grootvlei, while St Helena and West Rand Cons chairman Brian Gilbertson said 1 665 employees lost jobs at St Helena and 3 389 at West Rand Cons.

They said cost inflation and a constant rand gold price were either reducing profit margins or threatening continued viability of operations.

Maude said the 1,3% increase in the rand price of gold to R32 115/kg was not sufficient to offset Stilfontein's 13,5% increase in working costs to R30 161.

This increase was due mainly to reduced tonnage "from the ever-diminishing higher grade Vaal Reef ore reserves". The mine was also forced to treat waste rock material, while the Margaret shaft was out of commissioning, which further diluted average grade from 3,6g/t to 2,5g/t.

Working income from the mine consequently fell from R23,3m to R9,9m.

"In view of the virtual depletion of Vaal Reef ore reserves, the mine is becoming increasingly dependent on the lower grade Ventersdorp Contact Reef. The VCR has proved to be highly erratic in value and it is expected that this will lead to a reduction in gold output in 1990," Maude said.

At Grootvlei square metres mined were

RIAAN SMIT

reduced 35,4%, but gold recovered dropped only 25,7%, reflecting a slight increase in average grade from 3,3g/t to 3,6g/t.

As a result of eliminating the mining of unpayable ore, Grootvlei was well placed to either take advantage of any increase in the gold price or to weather a depressed rand gold price in the short term, he said.

"However, at current gold prices, the area remaining to be developed is limited and the potential for opening up and mining new areas is restricted."

Gilbertson said at West Rand Cons the production level of 996 000 tons would be maintained until July 1990, after which production from the richer VCR at the Montana shaft was expected to decline as ore reserves became depleted.

The lower grade and shortfall in gold production would be offset by increasing the underground production rate from 32 000 to 39 000 tons a month.

At St Helena major emphasis would be placed on developing the No 10 shaft to offset the anticipated decrease in the available ore reserves at the No 8 shaft during the next two years, he said.

The No 1B ventilation shaft at Oryx had been bored to its final depth of 965m below surface, making it the deepest mechanically bored shaft in the world and a first for SA. Ore production was set to begin in the third quarter of 1991, building up to 100 000 tons a month in 1994, he said.

But floor hit by reduced

B/day 29/3/90 (335) 257 182
Police and prison union demonstration broken up

Own Correspondent

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Ruckus at top hotel

Sowk 29/3-4/4/90

1409

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A DISPUTE over a housekeeper at an exclusive Cape Town hotel led to the dismissal of 24 workers last week.

The dismissed workers, who are all from the housekeeping department, downed tools late last Wednesday to demand that Cape Sun's management remove the housekeeper because of the way she allegedly treated workers.

South African Commercial, Catering and Allied Workers' Union (Saccawu) organiser, Mr Power Malgas, said the dispute was longstanding.

The union had compiled a list of allegations, which included claims that she had physically assaulted three workers.

Malgas said at a meeting between the union and management in February, the company had said it would investigate the matter.

He claimed that management had not informed the union of its findings. When workers inquired why the housekeeper was back at work, they were told the matter was closed.

After the 24 workers were fired last week, 70 others went on strike, bringing the hotel to a standstill.

Malgas said that, after negotiations, the union agreed the 70 workers would return to work and that the company would not interdict the union.

Saccawu was presently negotiating the reinstatement of the 24 dismissed workers. The union would pursue the dispute over the housekeeper, he said.

● Management failed to respond to SOUTH requests for comment.



Mr Andrew

CAH
Tmt
30/3/90

Alienated youth 'greatest danger'

By ANTHONY JOHNSON
Political Correspondent

335

SOUTH AFRICA's lumpenproletariat was becoming a highly disruptive and destabilising force in society, Mr Ken Andrew (DP Gardens) said yesterday.

"The greatest danger facing South Africa today is the growing number — hundreds of thousands — of young blacks who are uneducated, unemployed, disillusioned, alienated and anti-social in their attitudes and behaviour."

Speaking during the budget debate in Parliament, Mr Andrew said these young people were neither politically motivated nor interested in making progress "in any conventional way".

"Vandalism, intimidation, crime and violence are rapidly stretching the police force beyond its limits and tearing the social fabric on which a stable society is based."

Mr Andrew said that South Africa needed urgent action to address the causes and the symptoms of the problem.

Among the causes of the current situation were the breakdown of established authority patterns and structures as a result of urbanisation, the "appalling" black education system and the acute shortage of housing.

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they took part in a protest.

A fully-fledged strike followed.

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South t/4 - 10/4/90

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~~11/11~~

ABOUT 100 Parow workers were shocked to find themselves without jobs last Friday.

The workers, members of the South African Chemical Workers' Union (Sacwu), claim they were not given advance notice that Protea-Pak plastics factory was being closed down.

Sacwu organiser, Mr Peter Roman, said the workers had recently joined Sacwu. The union had been busy discussing recognition with the company when the workers were dismissed.

Company spokesperson, Mr D Moss, said the workers were retrenched and not dismissed.

The company was in financial difficulty and had no option but to close down, he said.

He denied any connection between the retrenchment and the workers' having joined a union.

He said management planned to meet the union and lawyers later this week to discuss the matter.

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Dismissed union men go to court

2/4/90 By Drew Forrest

Chronic divisions within one of Cosatu's most important affiliates, the 80 000-strong Food and Allied Workers Union (Fawu), broke into the open last week when dismissed Cape Town officials applied to court for reinstatement.

Fawu's former Cape Town branch secretary, Mr Miles Hartford, and four others have asked the Cape Supreme Court for an order nullifying the "purported election" of a new branch executive on February 4.

They also want an interdict preventing the respondents, including new branch secretary Mr Edwin Sauti, from intimidating or assaulting them.

The hearing will be next week.

Sources say the conflict springs from attempts by the "populist" Fawu leadership to enforce a uniform political line. Cape Town workers carrying placards complaining of "Stalinism" had marched in protest against the dismissals.

Last year political rifts led to the dismissal of Fawu's Eastern Cape secretary, who set up an alternative union.

"Purges" of union employees have also been reported in the Johannesburg branch.

Game reserve creates jobs

Star 3/4/90

Lowveld Bureau

335

MATSULU — Many jobs had already been created and kaNgwane's Mpakeni tribe would in future benefit from the region's Mtetomusha game reserve the Chief Minister, Mr Enos Mabuza said at the weekend.

At the official opening of a game lodge in the reserve, Mr Mabuza said despite an acute shortage of land and overcrowding it had been a dream of his since 1977 to establish a conservation area different from the Kruger National Park.

All income from the reserve, Mr Mabuza pointed out, will be shared between kaNgwane Parks Corporation and the Mpakeni tribe on whose ground the game park is situated.

Some of kaNgwane Parks Corporation's money would also flow back into the community

as wages while the tribe's share will be used to fund community development projects for people living around the reserve.

In keeping with preserving the best of the region's traditions the kaNgwane Parks' Corporation would issue hunting licences to the Swazi people, allowing them to cull once game stocks have built up sufficiently.

"We owe it to our future generations to hand them the earth — in all its wondrous variety and beauty — that we have been privileged enough to experience as children and adults," Mr Mabuza said.

"We are justly proud that despite our people's inherent hunger for land they have been prepared to enter into a project such as this and provide an example to other traditional leaders," he added.

Bus firm fires 120 strikers

3/4/90

Highveld Bureau

WITBANK — Eastern Bus Lines dismissed about 120 drivers and workshop staff at the company's Witbank depot yesterday — within hours of the workers staging a wildcat strike.

Local Transport and Allied Workers Union (Tawu) organiser, Mr Charles Kgopa, said workers had gone on strike because the company refused to accede to wage demands, and also because the company would not negotiate on poor working conditions.

"The transport sector is regarded as an essential service and companies take advantage of this because their workers by law do not have the right to go on strike," said Mr Kgopa.

The company's general manager, Mr Chris Kuun, said a dispute had been declared between the company and the union about two weeks ago and had been due to be heard by the Conciliation Board this month. New staff were being hired and he hoped the bus service would be partially restored by today.

Anger rises over buses

DREW FORREST

MAJOR restructuring in the bus industry is bringing workers under intense pressure, says the Transport and General Workers Union (TGWU).

Depots are being closed, services curtailed, with retrenchments, and tougher discipline being imposed nationwide.

At the same time, industry spokesmen have warned that government plans to slash fare subsidies could deepen the crisis and exacerbate township unrest.

As part of an intense lobbying campaign, the Southern African Bus Operators Association has sent a document to Minister of Transport Mr George Bartlett spelling out the potentially disastrous results of State subsidisation policies.

In conjunction with the

Department of Transport, it has also submitted a memorandum to the Cabinet.

Yesterday, Putco announced that after a seven-week strike at its Wynberg depot, it is to close the division and run it from Soweto and Dobsonville.

Up to 150 of the 450 jobs at Wynberg could be lost, said Putco managing director Dr Jack Visser.

At the same time, the TGWU is to mount an Industrial Court challenge to the imminent closure of Putco's Springs depot, where most of the 230 workers are set to lose their jobs.

The uneconomical Alberton division will also close next week.

The union will argue that the Springs closure is unfair in that alternatives have not been fully explored, and that only a month's notice was given.

TGWU official Mrs Jane Barrett charged



DR JACK VISSER: 150 jobs may be lost.

that bus firms, under heavy pressure from minibus taxis, and facing subsidy cuts, were reacting by "putting the squeeze on workers".

Over the past year the union had also hit problems of depot closures, service cuts, redundancies, and tighter discipline in centres such as Durban, Maritzburg and Bloemfontein.

"What's happening is awful," said Mrs Barrett. "We're facing the long-term loss of a relatively efficient subsidised trans-

port system."

Dr Visser said that as a result of the loss of the off-peak commuter market to minibuses, Putco now carried fewer than half the 400 million passengers it did in 1982.

Extreme pressure on profit margins had meant the loss of 4 000 jobs in four years, while the number of buses had fallen from 3 500 to barely 2 000.

He stressed that with the flood of black people to the cities, there was "no way" the minibus industry could supply metropolitan transport needs on its own.

A bus industry spokesman warned that sharp fare rises could spark violent response in townships.

"Subsidies have to be phased out over a period. The poor live farthest from their place of work, because of Government policies — the Government can't suddenly tell them: We can't pay."

'Poverty, joblessness behind rural violence'

BLOEMFONTEIN — The degree of violence that had spread to the rural areas was a violence caused by the frustration of poverty and unemployment, Professor Francis Wilson of the department of economics at the University of Cape Town told the 54th conference of the National Council of Women of South Africa in Bloemfontein yesterday.

The sheer degree of armed robbery, assault, rape, wife and child-battering and incest were part of the product of an intolerable position.

Sickness in society

What was being witnessed at present was the degree to which this violence was manifesting itself in the rural areas of South Africa.

Professor Wilson said one could not point to cultural differences in this respect. This was the visible manifestation of a deep and underlying sickness in South African society. These were the realities with which black South Africans were faced, particularly if they were poor.

Poverty could not be reduced to a single number or statistic. The consequences of the migrant labour system also had the effect of impoverishing the rural areas. There had not always

been terrible poverty in the rural areas.

The anti-black urbanisation policy had had two consequences. It had the effect of freezing housing in the urban areas when the natural population growth required more houses. The other, more serious, consequence was that those who were pushed off the farms by improved technology were not allowed into the cities. The only places they could go to were the reserves, which were already overpopulated.

Professor Wilson said poverty was not only a South African problem. However, the rate at which people were coming on to the labour market was greater than that at which jobs were being created. This was a new phenomenon in SA.

Since 1975, South Africa had, as a result of population growth, lost its capacity to generate sufficient jobs.

There was a need for economic growth, but SA did not have the type of political stability that the rest of the world required for investment.

Professor Wilson said the new motto should be "Growth through redistribution".

It was a process that required political legitimacy. If South Africans were concerned about poverty, then a necessary condition to deal with it was a redistribution of political power. — Sapa.



Professor Wilson ... The poor must get a real share in South Africa's political process.

Women told

SA 4/4/90 By Wanda Graham
South Africans have been told to view of the "setbacks and mass movements" which are inherent in any the rebuilding of a divided country.

Miss Isabel Direko, first woman elected as principal of a high school State, delivered the Bertha Solo Lecture on "From Fear to Hope" at the National Council of Women conference in Bloemfontein last

"Let us face the future in a spirit of difference," Miss Direko told the accept there are differences between

Sun workers fired ³³⁵

EIGHTEEN Sun City employees were dismissed by management of the Bophuthatswana entertainment complex after they took part in a work stoppage this week. *Journalist 5/4/90* ~~284~~ ~~1490~~

Mr Peter Wagner, Sunbop managing director, said these workers had "walked off their jobs after they voiced their dissatisfaction with their salaries and various other grievances".

Guard fired 'over ANC T-shirt'

By **CONNIE MOLUSI** and
SAMKELO KUMALO

TROUBLE is brewing at Pick 'n Pay supermarkets around Johannesburg because a white security guard was allegedly sacked over his support for Nelson Mandela.

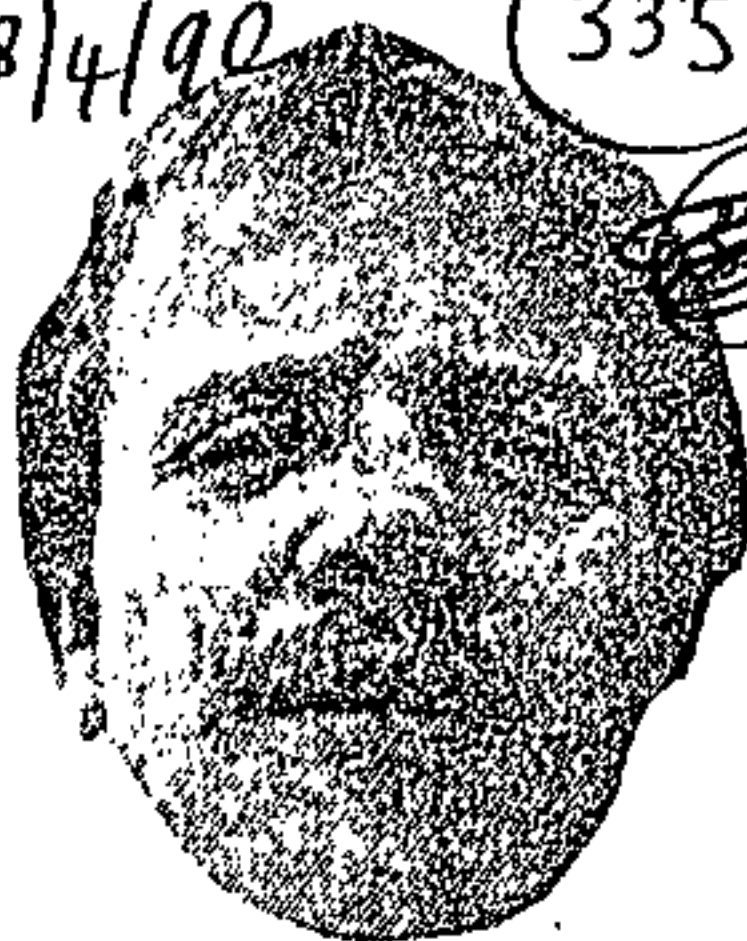
Security guard Phillip van Vuuren, who wears Mandela T-shirts to work, is at the centre of the storm which this week saw business grind to a halt at two outlets after

demonstrations by black workers.

Staff at the Alberton and Ormonde stores took to the streets on Wednesday and Thursday, demonstrating against the dismissal of Van Vuuren.

But Pick 'n Pay denies Van Vuuren has been fired. A spokesman said he had been suspended because he came to work drunk last Friday.

Van Vuuren is attached to Pick 'n Pay through the Duzzard Se-



Phillip van Vuuren

curity Company.

Duzzard gave conflicting reasons for Van Vuur-

en's "suspension".

In a letter addressed to him, the security firm said he was suspended because "he had given false information about himself" at the time of his employment.

He told *City Press* he considered himself fired. He said on his last day at work, Friday March 30, a Mr Myburg told him he was fired because he was a "kaffirboetie".

Workers are now demanding Pick 'n Pay can-

cel its contract with Duzzard.

A store spokesman confirmed there were disturbances at Alberton this week because workers were unhappy about the treatment of Van Vuuren.

Talks would be held with the workers' union to iron out the issue.

He said the contract with Duzzard could not be terminated unless reasonable grievances were found.

More jobs the challenge for unions, says Kantor

By GRAHAM LIZAMORE
Staff Reporter

THE challenge facing South Africa, and particularly the trade unions, was to provide more jobs in a labour-abundant society — however, unions only looked after their members and not workers as a whole, Professor Brian Kantor, director of the School of Economics at UCT, said today.

Addressing the inaugural annual congress of the South African Institution of Civil Engineers in Cape Town, Professor Kantor said although trade unions denied that there was a trade-off, that more money meant fewer jobs, the unions had to admit that what was good for their members was not necessarily good for workers generally.

Professor Kantor said the crisis among public-sector workers, particularly in hospitals, showed that while workers were demanding more pay there were thousands in the informal sector who were scraping a living and who would eagerly accept those jobs.

"I feel a black government would more easily address this problem than a white government. Trade unions must not lose sight of this," he said.

Trade unions agreed that more investment was needed to create more jobs. But how did they propose to attract foreign investment? he asked

Talk of nationalisation without compensation was dangerous and would make South Africa a no-go area.

29 fired workers arrested in Vereeniging protest

12/4/90 By Shareen Singh

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1802

A total of 29 people were arrested during a picket demonstration in Vereeniging yesterday, a spokesman for the Municipal, State, Farm and Allied Workers' Union said.

About 370 people fired from the Rand Water Board's Suikerbos plant in September last year picketed against their dismissals at six points in Johannesburg and Vereeniging.

They were dismissed after a strike sparked by management pensioning off a senior shop steward, the union said.

The dispute will be heard in the Industrial Court in June.

But the workers are demanding their jobs back immediately, as they have been unemployed for over six months and are starving, a union official said.

Those arrested will appear in court in Vereeniging today.

New phone services 'will not save jobs'

335

GERALD REILLY

2138

PRETORIA — Unemployment in the telecommunications equipment industry will continue to grow in spite of the R1,5bn to be spent by the Post Office on 217 000 new telephone services this financial year, it is believed. *BDM 12/4/90*

Business and Marketing Intelligence (BMI) director Alan Paul said the industry laid off 1 600 workers last year and it was projected another 400 would follow this year.

He said the major reason was most of the Post Office's infrastructural development was complete.

Blouberg	— April 1967	P P II	— 1 skipper; 1 machinist = 2
Penguין	— October 1989	(3) (a) Susan Kruger	— 1 022
Proteus	— March 1990	Dias	— 812
P P I	— October 1983	Blouberg	— 368
P P II	— October 1983	Penguין	— 98
(c) Susan Kruger	— Purchase price of boat was R295 000. The replacement of the boat's engines after purchase amounted to a further R205 000.	Proteus	— —
Dias	— This boat was taken over from the South African Navy during 1961. The value of the boat at that stage was R300 000.	P P I	— 127
Blouberg	— The value of the boat upon procurement was R500 000. During 1984 the boat was completely rebuilt which amounted to R750 000.	P P II	— 180
Penguין and Proteus	— ±R3.3 million each according to estimate. The final figures are not yet available.	(b) Susan Kruger	— R594 905
P P I	— R116 000	Dias	— R293 415
P P II	— R116 000	Blouberg	— R575 052
(d) Susan Kruger	— 1959 Westernman Bay bygger Norway	Penguין	— R16 518
Dias	— 1955 James Brown Durban	Proteus	— None (purchased March 1990)
Blouberg	— 1957 Globe Engineering Cape Town	P P I	— R56 361
Penguין	— 1989 Dorbyl Marine Cape Town	P P II	— R107 144
Proteus	— 1989 Dorbyl Marine Cape Town	(4) No, not at this stage. The replacement/ supplementing/phasing out of boats is accorded continuous attention and changing functional requirements dictate the measure in which it occurs.	
P P I	— 1983 Air Steel Cape Town	(a), (b), (c) and (d) Fall away.	
P P II	— 1983 Air Steel Cape Town	During 1989 a total of 33 661 persons were transported which included visitors to prisoners as well as visitors to Robben Island in general.	
(e) Susan Kruger	— 1 skipper; 1 machinist; 3 deckhands = 5		
Dias	— 1 skipper; 1 machinist; 3 deckhands = 5		
Blouberg	— 1 skipper; 1 machinist; 3 deckhands = 5		
Penguין	— 1 skipper; 1 machinist; 3 deckhands = 5		
Proteus	— 1 skipper; 1 machinist; 3 deckhands = 5		
P P I	— 1 skipper; 1 machinist = 2		

HOUSE OF ASSEMBLY

Case Numbers 13082/86 and 13803/86: computer equipment

265. Mr R V CARLISLE asked the Minister of Justice:

Whether, with reference to the cases of the *Methodist Church in Africa v The Minister of Law and Order* and *P N Mzanga and 20 others v The Minister of Law and Order* (Case Numbers 13082/86 and 13803/86 of the Cape Town Supreme Court between September 1987 and March 1990), any computer equipment was purchased or leased by the State for use in these cases; if so, (a) what equipment, (b) for what purposes, (c) what was the cost of lease or purchase to the State and (d) what settlement was arrived at in the cases in question and/or (ii) will be done with it?

B699E

The MINISTER OF JUSTICE:

The Department of Justice did not purchase or lease any computer equipment for use in these cases.

Alexandria: poachers

279. Mr E K MOORCROFT asked the Minister of Justice:

- (1) Whether a case against poachers was heard in Alexandria in February 1990; if so, (a) what were the charges in the case, (b) who were involved and (c) what was the outcome;
- (2) whether any convictions were obtained; if so, (a) who were convicted and (b) what sentences were handed down;
- (3) whether any persons were acquitted; if so, (a) who and (b) for what reasons?

B724E

The MINISTER OF JUSTICE:

(1) Yes.

(a) Count 1: Contravention of section 21(1)(a) of the National Parks Act, 1976 (Act 57 of 1976) (the Act) — entering of the Snurberg National Park.

Count 2: Contravention of section 21(1)(b) of the Act — conveying into the National Park a weapon or to be in possession thereof.

Count 3: Contravention of section 21(1)(c) of the Act — to hunt any animal (one bush-buck ram) in the National Park.

Count 4: Contravention of section 21(1)(d) of the Act — to disturb any animal in the National Park.

Count 5: Contravention of section 21(1)(g) of the Act — introduce any animal (a dog) to enter the National Park.

Count 6: Contravention of section 21(1)(h) of the Act — to remove from the National Park any animal, whether alive or dead, or any part thereof (one bush-buck ram).

(b) Willem Hendrik Vermeulen and Andries Cornelius van Rooyen

(c) Vermeulen was convicted of counts 1, 2, 3, 5 and 6. Count 4 was withdrawn against him. Van Rooyen was convicted of count 1. Counts 2 to 6 were withdrawn against him. Vermeulen was sentenced to R50 or 10 days' imprisonment on each of counts 1, 2, 5 and 6 and on count 3 to

R500 or 3 months' imprisonment suspended for 5 years on condition that he will not be convicted again of contravening section 21(1)(c) of the National Parks Act, 1976. In terms of section 24(9)(a) of the above-mentioned Act, Vermeulen's 308 Musgrave rifle was declared forfeited to the State. Van Rooyen was sentenced to R50 or 10 days' imprisonment on count 1.

(2) Yes.

(a) and (b) Please refer to the answer at (1) (c).

(3) No.

(a) and (b) Fall away.

Black persons: unemployed

281. Mr P H P GASTROW asked the Minister of Home Affairs: *Hanswyl 18/4/90*

(a) How many Black persons were unemployed as at the date of the latest current population survey and (b) what is the date of this survey?

335

B726E

The MINISTER OF HOME AFFAIRS:

(a) * 719 000 according to the strict definition of unemployment.

845 000 according to the expanded definition of unemployment.

(b) November 1989.

* The strict definition of unemployment, by which unemployment is officially measured, requires that a person who is otherwise unemployed, should look for work while the expanded definition of unemployment stipulates that such a person should only have the desire to work.

Certain police stations: offences

287. Mr D J DALLING asked the Minister of Law and Order: *Hanswyl 18/4/90*

How many cases of (a) murder, (b) culpable homicide, (c) assault with intent to do grievous bodily harm, (d) common assault, (e) rape, (f) robbery, (g) theft of vehicles and cycles, (h) damage to property, (i) housebreaking with

HOUSE OF ASSEMBLY

Top Cape doctors are likely to quit'

CAPE TOWN — Many of Groote Schuur hospital's most senior and talented doctors are likely to leave the hospital over the next two years, the MP for Groote Schuur, Mrs Dene Smuts said in Cape Town yesterday.

"She warned of an impending exodus after discussions with doctors at the hospital on Monday.

Doctors were unhappy with budget cuts and the curtailment of health services announced last week by the Cape administration.

These cuts have been likened to "switching off the lights in the middle of an operation — sacrificing the patient to save on electricity", by the head of medicine at UCT/Groote Schuur, Professor Solly Benatar. — Sapa.

200 335 19/4/90

Questions in the House

A total of 845 000 black people were unemployed according to an expanded definition of employment in November last year, the Minister of Home Affairs, Mr Gene Louw, said yesterday in reply to a question from Mr Peter Gastrow (DP Durban Central).

He said 719 000 people had been unemployed on that date according to a strict definition of employment — that a jobless person was looking for work.

The expanded definition stipulated that such a jobless person should only have the desire to work.



Delegates toyi-toyi at the merger conference when the Western Cape Unemployed Workers' Unions was formed
PIC: BENNY GOOL

Body for jobless starts work

By CHIARA CARTER

THE regional office-bearers of a new organisation for the unemployed launched in Cape Town last week are to make a three-week tour of the Cape to build unity within the organisation at grassroots level.

The Western Cape Unemployed Workers' Union (Wecuwu) was formed from a merger between the Unemployed Workers' Movement (UWM) and the interim committee in the Western Cape of the National Unemployed Workers' Coordinating Committee (NUWCC) last week.

The union's first campaign will be to organise a national campaign against the high bread price.

The merger comes after several years of disunity among organisations working with the unemployed in the Western Cape.

Cosatu and the United Democratic Front made activists available to assist

with the unification process.

Forty-nine UWM delegates and 26 NUWCC delegates attended the two-day merger conference held at the Samaj Centre.

The conference adopted a political policy of non-racialism, democracy, member-control and non-sexism.

Delegates resolved to adopt the Freedom Charter and develop a working-class understanding of the document.

They also resolved to discuss democracy and socialism, and to fight for the implementation of both.

They accepted the ANC, SACP, UDF and Cosatu as the vanguard of the struggle.

The conference adopted broad guidelines for negotiations which stressed that negotiations were one terrain of struggle and that regular report backs and mandates from the masses were essential.

It also adopted a far-reaching code of conduct designed to prevent tensions within the new organisation.

A Cosatu spokesperson said the federation welcomed the formation of a single organisation for the unemployed as a step forward for the entire labour movement.

The new union is to be divided into areas which form sub-regions. Areas can decide whether they want to form branches. Each area will be represented on the regional executive committee.

The highest authority in the organisation will be the regional congress, where representation will depend on proven meeting attendance.

Wecuwu intends to seek affiliation to the National Unemployed Workers' Coordinating Committee.

It will also hold workshops with the UDF and Cosatu to explore its relationship with both.

The office bearers are: Shaheed Mahomed (regional secretary), Shirley Mafenuka (1st vice-president), Bertram Mompumzla (chairperson), Victor Mofoti (assistant treasurer), Grace Bosman (treasurer).

Sactwu officials win defamation case

THE Free Independent Workers' Association (Fiwa) has been ordered to pay R10 000 in damages each to the

with a defamatory pamphlet issued by Fiwa in the Eastern Cape last year.

Gwala, and the Amalgamated Clothing and Textile Workers' Union of South Africa (Actwusa), which is now part of Sactwu.

Retrenchment only as last resort, say mining houses

Capt T. H. 23/4/90

235

FEARS of immediate job losses due to the possible closure of 18 marginal gold mines were dispelled at the weekend by mining houses.

It has been reported that 18 of SA's gold mines were in severe financial difficulties because of spiralling production and labour costs and the plunging gold price on world markets. This has added to fears of mine closures and large scale retrenchments of workers.

While some mining house spokesmen said their labour force had been curtailed in the past two to three years they said retrenchments were a last resort.

On mines where the National Union of Mineworkers (NUM) was recognised, employers said management had a policy of consulting the union on the numbers of workers to be retrenched and benefits to be paid out before measures were taken.

NUM spokesman Jerry Majatadi said it was impossible to judge managements' statements on the status of the mining industry had a monopoly on the industry and there was not enough information flow between the union and managements concerned.

A major problem was the NUM was not recognised on some of the 18 gold mines which meant the

union would not be consulted on retrenchments which were on-going, he said.

Rand Mines mines in danger of plunging into losses were ERPM, Blyvooruitzicht and Harmony mines and the Durban Deep mine in Roodepoort. The total workforce at the these mines was about 65 000.

ERPM chairman Clive Knobbs said a decision on the future of the ERPM mine — where the company last recorded a profit in 1980 — would be taken in the next few weeks. The livelihood of 10 500 workers at the mine was at stake although no decision to retrench had yet been taken.

Majatadi has called on ERPM management to consult with the union to prevent possible retrenchments.

Knobbs said about 18 000 employees had been retrenched, transferred or employed in other positions on the company's gold mines in the past 18 months.

Apart from the impending threat to ERPM, the other three mines on the danger list where not seriously threatened.

Knobbs said a number of plans had been made to cut costs. These plans would be adopted in such a way as to enable ERPM to retrench as few people as possible.

Genmin senior consulting engineer Kobus Olivier said the min-

ing house had reduced its workforce by 25 000 over the past two years. This figure related to natural attrition, transfers, placements elsewhere and as a last resort retrenchments.

Genmin mines on the "danger list" with a combined workforce of 16 140 were Barberton, Bracken, Grootvlei in Springs, Leslie, Marievale on the East Rand, West Rand Consolidated and Stilfontein in Klerksdorp.

He said the mine most exposed to danger was Stilfontein. The company has said that if the current low gold price persisted shutting down operations would be considered putting in jeopardy the jobs of 4 750 people.

Marievale which employed 350 people was closing down as it was "worked out". Retrenchments have been in place there for some time.

Gold Field marginal mines included on the list were Venterpost, Doornfontein and Libanon minqith a total of 27 300 employees.

Other mines reported to be at risk were JCI's Western Areas Mine and Randfontein Estates with a combined workforce of 36 000, Anglo American's Free Gold mine complex where there are about 107 5000 workers employed and Anglovaal's Lorraine mine with 9 000 employees.

Financial year	Number of commuter trips
1978/79	1 996 166
1979/80	2 577 188
1980/81	2 436 072
1981/82	2 727 872
1982/83	2 893 212
1983/84	3 097 102
1984/85	2 943 980
1985/86	2 691 210
1986/87	2 683 514
1987/88	2 651 316
1988/89	2 354 298
1989/90	1 916 094

(c) Interstate Bus Lines (Pty) Ltd trading as Jakaranda Bus Service.

Certain areas: road accidents

243. Mr E W TRENT asked the Minister of Transport:

- (1) (a) How many persons died in road accidents in 1989 in the (i) Ibhayi, (ii) Port Elizabeth, (iii) Johannesburg and (iv) Soweto municipal area and (b) how many of these persons were pedestrians in each case;
- (2) how many car accidents involving minibuses occurred in 1989 in each of the above areas?

The MINISTER OF TRANSPORT:

B613E

- (1) According to provisional figures for 1989 the following number of persons died in road traffic collisions in the respective municipal areas:

- (a) (i) 92
- (ii) 88
- (iii) 275
- (iv) 289
- (b) (i) 49
- (ii) 51
- (iii) 159
- (iv) 243;

- (2) according to provisional figures for 1989 the following number of minibuses were

HOUSE OF ASSEMBLY

involved in road traffic collisions in the respective municipal areas:

- (i) 203
- (ii) not available
- (iii) 5 890
- (iv) 1 240.

Cape schools: salaries paid late

259. Mr J VAN ECK asked the Minister of Education: *Answered 24/4/90*

Whether, with reference to all schools falling under his control in (a) the Greater Cape Town areas, (b) Paarl and (c) Kullis River, any teachers received their salaries after the due dates between 1 July 1989 and the latest specified date for which statistics are available; if so, in respect of each such school, how many teachers (i) were affected each month and (ii) received their cheques (aa) less than two weeks late, (bb) two to four weeks late, (cc) one to two months late, (dd) two to three months late and (ee) more than three months late?

B684E

The MINISTER OF EDUCATION: Particulars in this regard are not kept on record and cannot be collected satisfactorily — even at high cost. It is therefore not possible to furnish the information as requested.

Boland schools: salaries paid late

261. Mr J VAN ECK asked the Minister of Education:

Whether, with reference to all schools falling under his control in (a) Worcester, (b) Robertson and (c) Ashton, any teachers received their salaries after the due dates between 1 July 1989 and the latest specified date for which statistics are available; if so, in respect of each such school, how many teachers (i) were affected each month and (ii) received their cheques (aa) less than two weeks late, (bb) two to four weeks late, (cc) one to two months late, (dd) two to three months late and (ee) more than three months late?

B695E

The MINISTER OF EDUCATION:

Particulars in this regard are not kept on record and cannot be collected satisfactorily —

even at high cost. It is therefore not possible to furnish the information as requested.

Mossel Bay/George/Oudshoorn schools: salaries paid late

262. Mr J VAN ECK asked the Minister of Education:

Whether, with reference to all schools falling under his control in (a) Mossel Bay, (b) George and (c) Oudshoorn, any teachers received their salaries after the due dates between 1 July 1989 and the latest specified date for which statistics are available; if so, in respect of each such school, how many teachers (i) were affected each month and (ii) received their cheques (aa) less than two weeks late, (bb) two to four weeks late, (cc) one to two months late, (dd) two to three months late and (ee) more than three months late? *Answered 24/4/90*

24/4/90

B696E

The MINISTER OF EDUCATION:

Particulars in this regard are not kept on record and cannot be collected satisfactorily — even at high cost. It is therefore not possible to furnish the information as requested.

Armscor: workers dismissed

274. Mr J CHIOLE asked the Minister of Defence:

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Whether any workers at Armscor and Armscor subsidiaries have been dismissed as a result of the reduction of the Defence Force budget; if so, (a) how many workers have been dismissed at (i) Armscor and (ii) each specified Armscor subsidiary since 1 October 1989 as a result of this reduction and (b) in respect of what date is this information furnished?

Answered 24/4/90

B719E

The MINISTER OF DEFENCE:

Yes

- (a) (i) 130
- (ii) Pretoria Metal Pressings (Pty) Ltd

1 144

Atlas Aircraft Corporation

487

of SA (Pty) Ltd
Somchem (Pty) Ltd

252

Kentron (Pty) Ltd
Musgrave Manufacturers and Distributors (Pty) Ltd

215

(b) 742 employees at Pretoria Metal Pressings (Pty) Ltd on 30 November 1989. The balance of 1 533 all on 31 March 1990.

National service: doctors

284. Mr M J ELLIS asked the Minister of Defence: *Answered 24/4/90*

- (1) (a) How many fully qualified doctors are doing national service at present, (b) how many of these doctors are being used in Government hospitals and (c) in respect of what date is this information furnished;
- (2) whether in future doctors doing military service are to be used in this manner?

B729E

The MINISTER OF DEFENCE:

- (1) (a) 463.
- (b) 11.
- (c) 30 March 1990.

(2) Doctors who are at present doing their national service can be used at Government Hospitals until 31 July 1990. Further assistance, thereafter, will as a result of the reduction in the length of military service and the consequent limited number of doctors doing military service, not be likely.

SADF: information from Johannesburg City Council

292. Mr P G SOAL asked the Minister of Defence: *Answered 24/4/90*

Whether the South African Defence Force received from any official or individual at the Johannesburg City Council any information on the activities of any individuals or organisations; if so, (a) what is the name of the individual who supplied the information, (b) what are the names of the (i) individuals and (ii) organisations on whose activities information was supplied and (c) what information was supplied in each case?

B745E

The MINISTER OF DEFENCE:

It is not the practice of any intelligence organisation to divulge any information of individuals from whom information was received or the nature of such information.

- (a) to (c) Fall away.

HOUSE OF ASSEMBLY

Dismissal of worker leads to strike

ABOUT 300 striking AECI workers protesting the innocence of a dismissed colleague gathered outside a central Johannesburg office block yesterday to watch union leader Joseph Maqhekeni hand over a memorandum of demands to management.

Banners demanded the immediate reinstatement of Mr Philip Mphuti.

A small, slight man, Mphuti was raised on the shoulders of his fellow South African Chemical Workers Union members as they chanted and sang.

Many waved their job cards above their heads. "They must take it back. It doesn't work," said one unionist.

An assistant fitter, Mphuti was apparently involved in a fight with Mr Duncan Maclaughlin and was consequently dismissed on March 15.

Maqhekeni, who is

Sacwu shop stewards committee chairman, said Mphuti had been attacked by the fitter and a witness had made a statement to this effect.

Maclaughlin is still employed at AECI's Midlands Sasolburg plant.

More than 2 000 workers, according to the union, went on strike on March 23 in protest at the ruling. AECI says 1 760 workers are involved.

Accepting the memorandum, company human resources manager Bokkie Botha said he had already communicated with the union to suggest independent arbitration in the matter.

A statement from the company said a disciplinary inquiry had convened and both it and a subsequent appeal had upheld the order for Mphuti's dismissal.

unconditionally; he must therefore also withdraw the word "coward".

†Mr J H VANDER MERWE: I withdraw it, but I will get him in Kroonstad! [Interjections.]

†The CHAIRMAN OF COMMITTEES: Order! *Hansard 24/4/90*

†Adv S C JACOBS: Mr Chairman, on a point of order: With regard to the question of whether an hon Minister or Deputy Minister may refuse to reply to a supplementary question, I wish to refer you to the ruling of the Rules Committee that five supplementary questions are admissible. [Interjections.] I wish to submit that in this case no supplementary questions have been allowed and that the five supplementary questions may still be put.

†The CHAIRMAN OF COMMITTEES: Order! Supplementary questions have not been refused. The hon the Deputy Minister himself indicated that he would not reply to supplementary questions. [Interjections.]

Business interrupted in accordance with Rule 180C (3) of the Standing Rules of Parliament.

Certain book recommended by SADF

*3. Mr P C CRONJÉ asked the Minister of Defence: *Hansard 24/4/90*

- (1) Whether the South African Defence Force sent out a circular in which it recommended a certain book, particulars of which have been furnished to the Defence Force for the purpose of the Minister's reply; if so, (a) under whose signature was the circular sent out, (b) to whom was it directed, (c) what are the particulars of the book in question and (d) what was the cost of sending out this circular;
- (2) whether the publishing company concerned refunded the South African Defence Force for the cost of the circular; if not, why not?

B742E

The MINISTER OF DEFENCE:

- (1) Yes.
- (a) The previous Chief of the SA Army.
- (b) Officers, warrant-officers and non-commissioned officers of the Perma-

ment Force, the Citizen Force and the Commandos. *Hansard 24/4/90*

(c) The particulars are as supplied by the Honourable Member.

(d) R5 843 for envelopes.

(2) No, because the circular was sent out on the initiative of the South African Defence Force. The SA Defence Force has over a period of 23 years, gained victory after victory in the struggle against Marxist expansionism. The SA Defence Force succeeded in halting this expansionism until the philosophy and ideology behind it collapsed in Eastern Europe. The SA Defence Force achieved one of the bravest victories in modern warfare in South East Angola in 1987/88. This crowned the military successes of the previous years and opened the way for a successful negotiation process regarding Namibia. This book reflects the SA Defence Force's successes and because thousands of members of the SA Defence Force were involved in the war, it was decided to introduce the book to as many members as possible.

Johannesburg city councillor: investigation

*4. Mr P G SOAL asked the Minister of Finance:

- (1) Whether officials of the Department of Inland Revenue were requested by officials of the Johannesburg City Council to investigate the tax affairs of a Johannesburg city councillor; if so, what was the response of the Department of Inland Revenue;
- (2) whether he will furnish information on the persons involved in this matter; if not, why not; if so, what (a) are the names of the city council officials who made the request and (b) is the name of the city councillor concerned?

B746E

The MINISTER OF FINANCE:

- (1) The duties of the Commissioner for Inland Revenue are not limited to the collection of taxes; he must also ensure that there is compliance with the tax laws.

He will accordingly take notice of information in regard to tax matters that come to his notice from any source whatsoever, and act thereon in terms of the powers granted to him by law. In the light of the secrecy provisions contained in section 4 of the Income Tax Act, details of his actions and findings may, however, not be furnished to any person other than the taxpayer or his lawful representative.

In view hereof no further information or comment can be furnished in reply to the Honourable Member's question.

Kaifan electrified fence: exclusion of areas

*5. Adv T LANGLEY asked the Minister of Defence:

- (1) Whether the farms (a) Greefswald, (b) Den Staat, (c) Samaria and (d) Kruitfontein are to be excluded from the Kaifan electrified fence west of Messina; if so, (i) for what reasons, (ii) at whose request and (iii) what will be the cost of such exclusion; *Hansard 24/4/90*
- (2) whether he will make a statement on the matter?

B773E

The MINISTER OF DEFENCE:

- (1) (a) to (c) Yes.
- (i) Due to research with regard to the existing system as well as ecological disturbances which the fence could bring about.
- (ii) The SA Defence Force.
- (iii) The cost is not known as the exact location of the fence has not yet been determined.
- (d) A gap has, for the time being, been left in the fence in anticipation of the outcome of the ecological investigation regarding this specific farm.

(2) No.

Prison warders dismissed/suspended

*6. Mr D J DALLING asked the Minister of Justice:

- (1) Whether, subsequent to his reply in the House of Representatives to Question No

1 on 27 March 1990, any prison warders have been dismissed or suspended; if so, (a) how many, (b) for what reasons and (c) at which prisons were they stationed at the time of their dismissal or suspension; *Hansard 24/4/90*

- (2) whether these warders raised any grievances with the authorities; if so, (a) what grievances and (b) what action was or is being taken by his Department to address such grievances?

335 B765E

The MINISTER OF JUSTICE:

- (1) Yes, only suspended.

(a) and : King : 5 Members suspended on 27

(c) William's : 2 Members suspended on 29

Town Prison : 2 Members suspended on 29

East London : 2 Members suspended on 27

Prison : 2 Members suspended on 27

Polismoor : 2 Members suspended on 27

Prison : 1 Member suspended on 30

Brandvlei : 1 Member suspended on 30

Fort Beau- : 1 Member suspended on 27

fort Prison : 1 Member suspended on 21

Stutterheim : 1 Member suspended on 27

Prison : 27 members suspended on 9

Port Elizabeth Prison : 1 Member suspended on 10

April 1990 : 1 Member suspended on 17

- (b) For the same reasons mentioned in my reply to Question No 1 on 27 March 1990 in the House of Rep-

Handwritten: 24/4/90

representatives (namely that members did not perform their normal duties).

(2) Yes.

- (a) Grievances in connection with alleged discrimination in respect of work; living quarters; social and outdoor activities; facilities on prison grounds as well as allegations that the existing communication channel does not function effectively and that Commanding Officers are not accessible enough to hear members' grievances.

(b) In order to put these allegations into perspective, I wish to direct the Honourable member's attention to the fact that the dealing with the complaints and grievances of personnel is a continuous process. Specific grievances have come to attention recently. Although certain grievances do have substance, there are others with little or no substance and are attributable to wrong/distorted perceptions which have already been rectified/are in the process of being rectified.

The Prisons Service is currently compiling a handling strategy which will provide Commanding Officers with guidelines to solve the grievances which have not yet been resolved, as far as possible to the satisfaction of all parties.

One of the stumbling blocks, namely the provision of medical benefits to dependents of Black members, have recently been resolved. The decision to provide this service to members was taken in April 1989, but funds only became available on 1 April 1990.

Other stumbling blocks such as the establishing of better quality housing; establishment and upgrading of sports and recreational facilities; the provision of state transport between home and place of work where no public transport is available, are given ongoing attention, but are coupled to financial realities and will not occur overnight.

way related to the collection efforts of individual officials. *Handwritten:* 24/4/90

Transferability of pensions

*8. Mr P J PAULUS asked the Minister of National Health and Population Development:

Whether the transferability of pensions is being investigated at present; if not, why not; if so, when is it expected that a report on this investigation will be available? *Handwritten:* 24/4/90

Handwritten: 24/4/90

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

Yes, transferability of pensions already exists between State controlled pension funds mutually, as well as between such funds and certain other pension funds. Investigation into the transferability of pensions generally, forms part of the terms of reference of the Mouton Committee of Investigation into a Retirement Provision System for South Africa, appointed by the Minister of Finance.

Police investigation into death of Mr Thikitha
*9. Mr L FUCHS asked the Minister of Law and Order: *Handwritten:* 24/4/90

Whether, with reference to the reply by the Minister of Justice to Question No 20 on 20 March 1990, the Police investigation into the death of Mr Thomas Mavimbela Thikitha near Heidelberg, Transvaal, on 13 February 1990 has been completed; if not, (a) why not and (b) when is it anticipated that the investigation will be completed; if so, what were the findings? *Handwritten:* 24/4/90

The MINISTER OF LAW AND ORDER:

Yes, however the results of the tissue tests are still being awaited before the docket can be submitted to the Attorney-General for his decision.

(a) and (b) Fall away.

International School in Bophuthatswana: money

*10. Mr M J ELLIS asked the Minister of Foreign Affairs: *Handwritten:* 24/4/90

(1) Whether he gave an undertaking that the South African Government would give a sum of money to the International School

in Bophuthatswana; if so, what are the relevant details; *Handwritten:* 24/4/90

- (2) whether he has made any arrangements for this sum of money to be given to the said school; if not, why not; if so, (a) what arrangements, (b)(i) what is the amount involved and (ii) why was it promised and/or given and (c) for whom does this school cater? *Handwritten:* 24/4/90

The MINISTER OF FOREIGN AFFAIRS:

(1) Yes. South Africa will provide, in the form of a loan, 50% of the costs of the construction of the school building.

(2) Yes.

(a) In terms of a loan agreement signed on 28 November 1989, Bophuthatswana may make drawings on the loan amount.

(b) (i) R3 850 000,00.

(ii) The RSA decision to assist financially in the construction of the school was based on various considerations including a study undertaken by the Department of Education and Culture and the Cape Director of Education.

(c) There are at present 176 enrolled students, of whom 43 are citizens of Bophuthatswana and the rest are representative of 22 nationalities.

Third party insurance: compulsory

*12. Mr M J ELLIS asked the Minister of Transport:

Whether the Government intends making the balance of third party insurance on motor vehicles compulsory; if not, why not; if so, when? *Handwritten:* 24/4/90

The MINISTER OF TRANSPORT:

No. This matter has been considered on many occasions by among others the Grosskopf Commission (appointed in 1981) and the Ad-

Cape Times 25/4/90 (33)

Armcor retrenchments

MORE THAN 2 000 workers had lost their jobs at Armcor and Armcor subsidiaries as a result of the reduction in the Defence Force budget, the Minister of the Budget, General Magnus Malan, said yesterday.

Slr 26/4/90

335

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Rolfes to re-employ strikers

Labour Reporter

More than 300 workers fired two months ago after striking at Rolfes chemical factory, Elandsfontein, are to be reinstated in terms of an agreement between the company and the Chemical Workers Industrial Union, the union has announced.

At the same time, the union warned that further strikes were looming on demands that chemical firms join the union-

initiated Chemical Industries National Provident Fund.

Management resistance to the demand sparked the strike at Rolfes in February and SA Cyanamid last year.

The union said Rolfes had stated that it had no principled objection to joining the fund.

"Managements continue to resist giving any control of retirement funds to workers," the union said.

Trade unions have major role in creating more jobs

Trade unions will have to discipline themselves in order to harmonise the interests of the workers with the interests of the employers, says Mr Hendrik Sloet, chairman of Saarnbou.

He told the Boksburg Afrikaanse Sakekammer that if this did not happen the growing number of workers would not in the long term receive their rightful dues.

He said labour, unemployment and productivity were some of the most serious problems facing the country. The available unskilled labour far exceeded the demand, while there was a tremendous shortage of skilled labour.

Official statistics showed the labour force increased by 2,7 percent a year.

Keeping in mind that for every one

percent growth in the economy, another five percent growth in job opportunities was created, there would have to be an economic growth rate of 5,4 percent a year to absorb the increase in the labour force.

The hundreds of thousands of unemployed, who were increasing at an alarming rate daily, were not even included in this calculation.

Mr Sloet said he believed entrepreneurs, with little prompting, would use labour-intensive production techniques as long as they were able to arrange their cost structure in such a way as to remain competitive. This would create more job opportunities.

But unfortunately labour-intensive

techniques were declining in favour of increasing capital intensive production methods.

This could mainly be ascribed to the growing imbalance of labour costs, levels of productivity and growing wage demands. There would have to be a relation between training, productivity and wage and salary levels.

Industrialists and trade unions must get together to discuss their problems. It had to be realised that in view of the country's particular circumstances it was important to have a job — never mind the pay.

A modest standard of living was better than no standard of living at all, Mr Sloet concluded. — Sapa

Colliery to lay off 350

The Usutu colliery, near Ermelo, is to reduce its labour force by 40 percent between May and July this year. 335

The management of Trans-Natal Coal Corporation revealed yesterday that the layoff of 350 workers was a direct result of a substantial drop in demand for coal by the Camden power station.

The managing director of Trans-Natal, Mr Mike Salamon, said every effort would be made to find jobs at other mines for workers who were laid off at Usutu. Unions had been consulted. — Sapa.

Jobless in protest

904 3/8/90
EAST LONDON — Hundreds of jobless people staged a protest in East London yesterday. (335)

Police spokesman Colonel R F Berg said that the protesters were given permission to march by the Chief Magistrate, Mr J Nel.

A petition of demands was handed to the head of the East London Manpower Utilisation Department, Mr D C Park. — Sapa.

231 city clothing workers to lose ^{7/6/90} _{9/5/90} their jobs

By DICK USHER
Business Staff

THE Cape's vital clothing industry is coming under increasing pressure as the economic slowdown starts to bite.

One major indicator of the bite was the disclosure that leading South African manufacturer Rex Trueform plans to retrench 231 workers.

The South African Clothing and Textile Workers' Union announced last night that it had declared a dispute with Rex Trueform over the proposed retrenchments.

The union said that information the company had given was insufficient to justify the large number of workers proposed for retrenchment.

Mr Stewart Shub, company chairman, said the need to reduce staff was directly related to the slowdown.

Mr Colin McCarthy, director of the Cape Chamber of Industries and secretary of the Cape Clothing Manufacturers' Association, said his industrial relations adviser been dealing with an increasing number of firms seeking advice on retrenchments and short-time.

LAGGED BEHIND

Most of these were in the clothing industry, but the engineering industry was also being affected.

Another leading Cape Town manufacturer, Ensign Clothing, is also being affected by the slowdown.

At his company's annual meeting yesterday chairman Mr Ron Roy reported that although turnover for the year had risen, profits had not kept pace, particularly in the second half of the year.

A marginal increase in income to R1,7 million clearly reflected the adverse effects of rising input and labour costs, coupled with mounting customer resistance to price increases.

Mr Roy Dalle Vedove, chairman of the Cape Garment Manufacturers' Association, largely made up of cut-make-and-trim operators, was not available for comment.

LAYOFF SHOCK

South 10/5 - 16/5/90

335

By CHIARA CARTER

WIDESPREAD job losses are imminent in several key industries in the Cape.

According to employers, retrenchment and short time measures are being adopted at several companies because of an economic slump.

Sources estimate that about 1 500 jobs have already been lost in the Cape's key clothing industry this year. More retrenchments are anticipated.

The Metal and Electrical Workers' Union of South Africa (Mewusa) spokesperson, Mr Brian Williams, said the union was gearing up to fight what he called "widespread retrenchments in the engineering industry".

He said the slump in the industry could in part be traced to cutbacks in state expenditure.

Workers at the leading clothing manufacturer, Rex Trueform, are involved in a major battle with management over proposed mass retrenchments at three of the company's plants.

Management

A proposal to retrench 231 workers — about one tenth of the work force — was announced at a meeting between shopstewards and management at Rex Trueform three weeks ago.

This week, the South African Clothing and Textile Workers' Union (Sactwu) declared a dispute with the company.

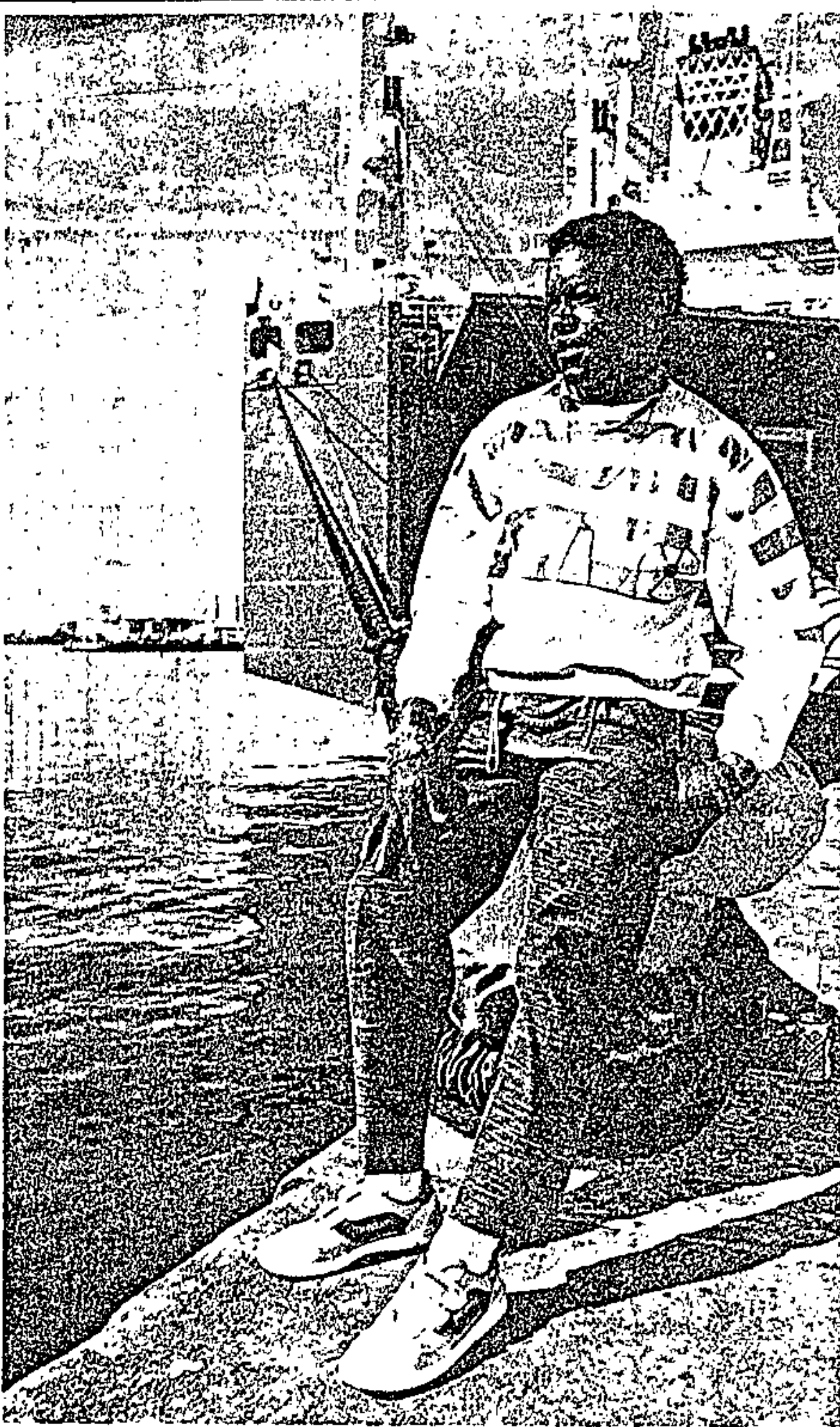
A Sactwu spokesperson said the dispute had arisen because the union felt the information which the company had given Sactwu was "insufficient to justify so large a retrenchment".

He said the company and the union failed to reach agreement about the retrenchments during negotiations held earlier this month.

Rex Trueform chairperson, Mr Stewart Shub, said the proposed retrenchments were directly related to the slump.

Mr CE McCarthy, director of the Chamber of Industries and secretary of the Cape Clothing Manufacturers' Association, confirmed that jobs were being cut back in the clothing and the engineering industries.

Edwini's amazing search for



DETERMINED: A journey from Cairo to Cape ● See

Right wing terror

'Race war' looms as consumer boycott bites

● See page 2

'Group' war in flatland

Black tenants face white neighbour's wrath

● See page 5

Fr

By prev

●

Zip factory in 'catch 22' battle

South 10/5 - 16/17/90

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By CHIARA CARTER

MORE than 50 workers were fired by a Maitland zip factory this week after they took part in a stoppage to demand that a dismissed shop steward be reinstated.

A spokesperson for the South African Clothing and Textile Workers' Union (Sactwu) said the workers were locked out of the factory on Wednesday after they took part in a demonstration the previous day.

The factory, YKK, has been the centre of a "catch 22" battle for recognition by the South African Clothing and Textile Workers' Union (Sactwu).

Sactwu claims to have signed up 53 workers at YKK — the entire workforce — but the company says the union must prove its paid-up membership before it will grant stop-order facilities.

The union, in turn, says that only once it gets stop-order facilities can

it prove its paid-up membership.

A Sactwu spokesperson said after management received a letter from the union two weeks ago, requesting recognition and outlining proposed disciplinary procedures, the company went on short time.

Workers then took go-slow action.

The spokesperson said the company subsequently retrenched eight workers.

He claimed the company retrenched the workers without consulting Sactwu and that the company had refused to meet with the union.

The spokesperson said a shop steward was dismissed — because she was allegedly "rude" and had "incited" the workers.

YKK refused to comment.

The Maitland factory is one of 46 in 40 countries owned by the company which employs 27 000 people.

W/Mail 1115-12/5/90
(335)

So is it a 'soft landing', or is it hard times?

By ALAN HIRSCH

THOUGH government and private economists prefer to talk about a "soft landing", consumer-oriented industries are sending signals which indicate the onset of a recession. The clothing industry, for one, has shed about 6 000 workers in recent months, according to industrial council statistics.

The greatest drop has been in the Cape where employment has fallen from 57 000 last year to about 53 000 in mid-April. The clothing industry in the Transvaal has lost about 1 000 workers, taking the employment figure down to about 15 000, while the Natal region has fallen from about 45 000 to about 44 000.

It has been speculated that the relatively good performance of Natal compared with the Cape (which specialises in high fashion) indicates that the lower end of the market is holding up more strongly.

Around the country, industry representatives talk about shrinking order books. Colin McCarthy of the Cape Chamber of Industries acknowledges a slowdown: "Demand is dropping off in all consumer industries. The position we anticipated is beginning to bite".

Hennie van Zyl of the National Clothing Federation has had reports of factories working short-time, and ending long-standing regimes of permanent overtime, but says that the situation has not yet become a crisis.

While both McCarthy and Van Zyl argue that the downturn was expected, and is not that severe, workers and their representatives are very concerned. A regional meeting of the South African Clothing and Textile Workers Union held recently in Cape Town was almost wholly devoted to the issue of retrenchments and short-time.

Lionel October, general secretary of the union, says the union is preparing to adopt a programme to fight retrenchments and short-time.

The workers, he says, see the recession as government-induced, and are unhappy at being forced to suffer because of poor economic policies. As clothing workers they are always amongst the first to get hit in a downturn.

"And in boom years," says October, "the employer's high rates of profit are not passed on to the workers".

The anxiety of the workers at the Cape Town meeting was heightened by the recent news that Rex Trueform plans to lay off about 10 percent of its workforce — 231 workers.

The SA Clothing and Textile Workers Union announced last week that it would declare a dispute with Rex Trueform over the retrenchments. The union said the company had not adequately justified its decision to lay off so many workers. Also in Cape Town, a factory employing 140 workers has recently shut down and several medium-size firms are working short weeks, some two days short.

The union plans to hold a seminar shortly on "counter-measures" against short-time and lay-offs. One of the proposals it will put to clothing workers is the establishment of a retrenchment or "slack" fund which would build up reserves during healthy periods and dispense aid during recessions.

Such a fund already exists in the Transvaal, but there is none in the Cape where the clothing industry is concentrated. The fund could be administered for the clothing industry by the Cape industrial council, which already administers several benefit funds.

A representative in Cape Town suggested that rising wages in the industry and the fact that several firms have recently moved from Cape Town to Ciskei and Transkei could be reasons for the industry's weakness.

emergency helicopter on its way to Edenvale from Johannesburg Hospital was rerouted to get more blood for the baby. He died before it could be airlifted. — Sapa

SA unemployment shock

CAT TWP 12/5/70 Political Staff (335)

SHOCK unemployment levels in South Africa — hovering "around 38%" — were disclosed yesterday by the president of the Council for Scientific and Industrial Research (CSIR), Dr C F Garbers.

His estimate of the rate of unemployment, given in evidence before the President's Council, is considerably higher than official estimates.

Dr Garbers said there was "the overriding requirement for economic growth to generate the wealth required to meet the demands of our rapidly growing population, despite the environmental challenge".

of Education and Train- to be addressed by the done in Sharpeville as in all other areas.

Magistrate dismissed

By BENSON NTLEMO

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c/Press 13/5/90

ROBERT MALAVI, the Gazankulu magistrate who has recently been in hospital with asthma during his detention under the State of Emergency, has had his appointment as additional magistrate cancelled for being absent from his duties while in detention.

City Press has a letter signed by Deputy Director-General of Justice AM Hlungwani informing Malavi he has "dismissed himself", for being absent from duty without leave from the head of his department or head of his office from March 2 to April 23.

On March 2 all public servants in Gazankulu embarked on a stay-away, demanding the resignation of Chief Minister Hudson Ntsanwisi.

At the end of March, a circular appeared under the Public Service Act threatening civil servants with dismissal if they had not returned to work by March 12.

By this time Malavi was in detention under the State of Emergency.

There was a moratorium on returning to work which ended on April 17, but Malavi was still being held.

"I only became aware of the circular when I was released a week ago," said Malavi, who is chairman of the Malamulele branch of the Gazankulu Government Servants' Association. He said he was not going to resign but was looking forward to being dismissed officially.

He believed he was suffering retribution for having taken part in the stay-away, which involved every civil servant in the homeland.

Ironically, when Ntsanwisi called for the return to work during the height of the stay-away, he called for reconciliation.

Hlungwani, who signed the letter, said the Public Service Act prevented him from commenting and he referred *City Press* to the Director-General, who was not available.

Barrydale in crisis over camp closing

Staff Reporter

THE Southern Cape town of Barrydale is faced with an economic slump because of the Cape Provincial Administration's (CPA) plans to close a nearby road workers' camp, the town's deputy mayor, Mr Kobus van Coller, has said.

The camp has been in existence for more than 16 years and has contributed greatly to the town's economic upkeep.

A spokesman for the CPA, Mr Dirk Smit, confirmed that road-construction work in the area would be completed by 1992 and that there would be no more projects to justify the continued existence of the construction unit.

Other reasons why the camp would be closed included privatisation, and the fact that funding for roads had been slashed.

Mr Van Coller said road workers spent 75% of their income in the town.

An organisation, Barrydale 2 000, of which he was secretary, had been founded to try to keep the town on the map.

New workers sought as mine strikers go

JCI's Lebowa Platinum Mines is recruiting a new workforce after the mass dismissal of 1 500 strikers last week.

Recognition of the National Union of Mine-workers had been imminent at the time of the strike, which centred on demands for the dismissal of an overseer, said JCI spokesman Ann Dones. The strike started on a shift last Tuesday and spread to the entire underground workforce. They refused to follow normal grievance procedures.

About 450 NUM members are also said to be on strike at Consolidated Metallurgical Industries in protest against the dismissal of six colleagues.

Star 16/5/90

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Frightening jobs and housing crisis in the city

By DON HOLLIDAY, Municipal Reporter

CAPE Town's critical housing shortage and the need to create employment dominated the City Council's debate on the municipal budget.

The council yesterday approved the R1 519,9-million budget which provides for a 14 percent increase in rates and sets aside R94,4 million for housing projects.

Announcing the budget, executive committee chairman Mr Dick Friedlander said the council was given only R18,1 million for housing in 1990 because of the government cutback.

The council had asked for R64,9 million and the situation was "grave", Mr Friedlander said.

Councillors generally complimented those responsible for drawing up the budget.

Mr Neil Ross, however, termed the budget a "disaster" in respect of the housing allocation.

He said it was the government's responsibility to provide money for low-cost housing. More than 40 000 families were on the combined primary and secondary housing waiting-lists.

The money available would not make even a marginal impression on the backlog, he said.

"I wonder how many families have not even bothered to put their names on these lists."

Mr Sol Kreiner said the creation of job opportunities was one of the greatest challenges facing the council.

Unemployment statistics in greater Cape Town were frightening — about 270 000 people had been unemployed two years ago and the figure had grown since then.

Unemployment had repercussions such as poverty and overcrowding and encouraged disease, alcoholism and wife-beating, he said.

180 jobs a day

The council had to become a catalyst for development.

Tourism, which provided many opportunities for employment, had to be marketed more aggressively.

Mr Peter Muller said the budget should be seen as a political as well as a financial instrument.

The council had to look at the supply side of the economy in the light of government's cutbacks in funding.

The council had to "learn to paddle its own financial boat" and find ways of generating more income, he said.

While he appreciated the need to provide jobs, this had to be traded off against productivity. Too much of the council's operating costs were being soaked up by salaries and wages.

Ms Annamia van den Heever said the council had a responsibility to create jobs on a far greater scale than was being done through such schemes as the Victoria and Alfred Waterfront development.

In the region of 180 jobs had to be created every day.

Mrs Eulalie Stott called for legalised abortion to curb population growth.

She said it was a matter of concern that fewer than 600 houses were built last year, whereas in 1978 the council built more than 5 000. In 1979 more than 8 000 were built.

Soul L17/5 - 22/5/90

Mewusa to take action over retrenchments

A MAITLAND company which dismissed 27 workers without notifying their union has been accused of violating accepted retrenchment procedures. (335) (12)

Metal and Electrical Workers' Union of South Africa (Mewusa) spokesperson Brian Williams said the workers were told they had lost their jobs when they arrived for work at Atomic Office and Industrial Equipment last Thursday.

Williams claimed that the union had not been informed of the retrenchment and that the workers were notified by co-workers, not management.

The union is now pursuing legal action against the company.

Atomic managing director Mr D. Titmus refused to comment.

Driver fired after refusing to take off his PAC T-shirt

Stew

19/5/90

OWN CORRESPONDENT

CAPE TOWN — The Stikland packaging company worker who was suspended from duty for wearing a Pan Africanist Congress T-shirt has now been dismissed, a South African Chemical Workers Union official, Peter Roman said yesterday.

Chris Lewis, a member of the South African Chemical Workers Union who worked as driver for Peninsular Packaging, was suspended on Tuesday after management had allegedly ordered him on several occasions to take off his T-shirt.

A disciplinary hearing also found that the worker had been "grossly insubordinate and disrespectful" towards the director of a company to which he had delivered goods by threatening him with assault.

Approached for comment, Peninsular Packaging Director Johan Venter said that the issue "went far beyond the mere wearing of a T-shirt" but included threats of assault on himself and the company manager. Mr Lewis had to be physically restrained.

Some 20 company workers, also PAC members, demonstrated outside the company's premises in protest after the findings had been made known.

Mr Lewis has the right to appeal.

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CITY PRESS, May 20, 1990

PAGE 7

CP Correspondent

A 10-day Council workers' strike was settled just hours before shack dwellers were due to tip overflowing nightsoil buckets on to the steps of Port Elizabeth's Ibhayi Council on Thursday morning.

In an attempt to force the council to meet workers' demands, community leaders had urged residents carry to their buckets to the council's build-

ding and empty the contents on the steps.

Streets in some townships became smelly, dangerous quagmires because garbage and nightsoil had not been collected.

Residents using the bucket system were forced to use toilets in neighbour-

ing townships and there was a serious risk of disease breaking out.

Ten typhoid cases were reported during a previous strike when nightsoil had also not been collected.

The Council employed temporary workers to start collecting the huge

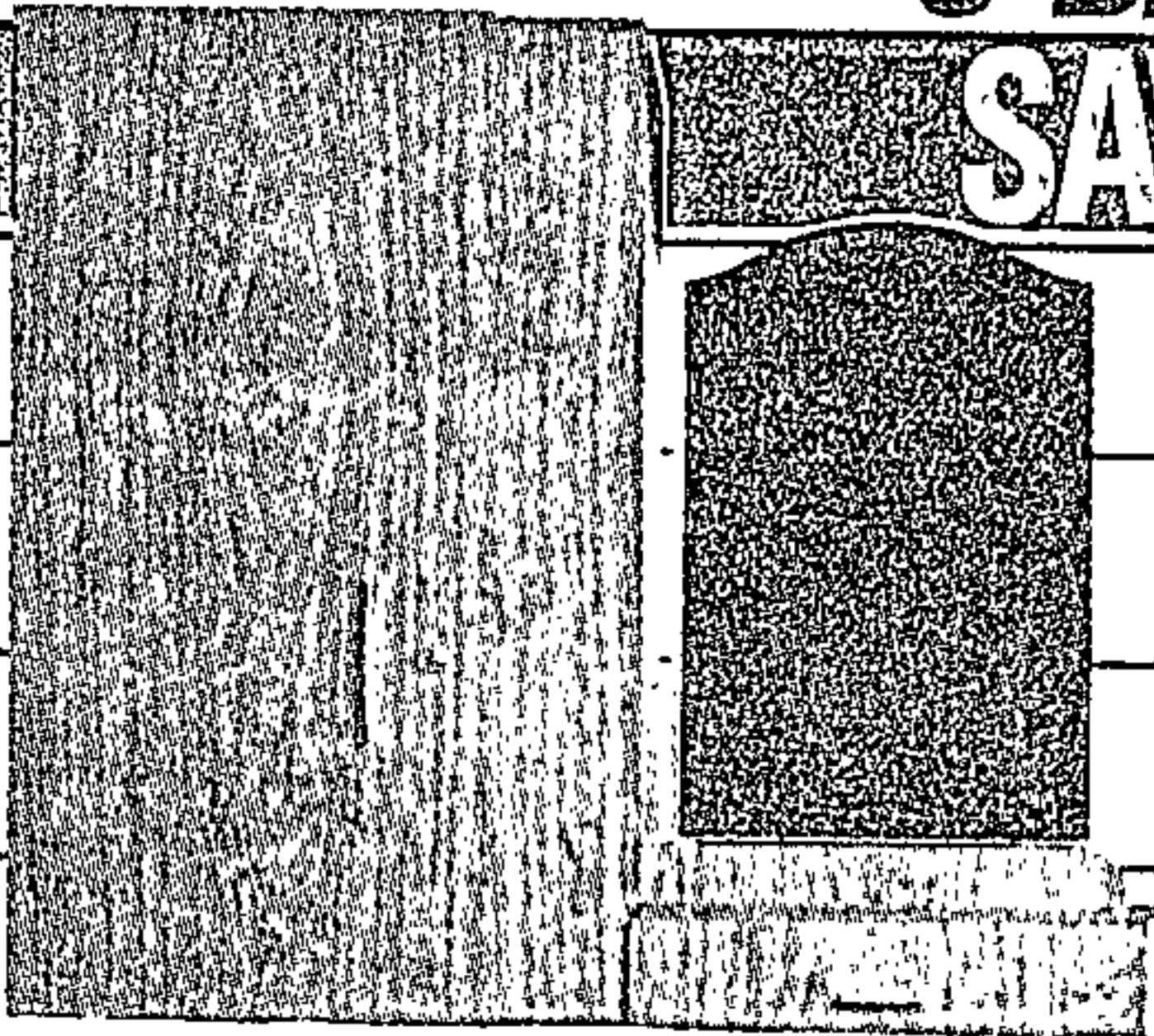
piles of nightsoil and garbage.

Hours of negotiations between the council and the South African Municipal Workers' Union (Samwu) finally led to an agreement and workers returned to their posts on Thursday morning.

The 1 100 striking workers were demanding wage increases and the reinstatement of employees suspended after a previous strike.

A joint statement issued by Samwu and the council outlined an eight-point agreement, including the reinstatement of suspended staff, recognition in principle of the union and the setting up of an ad-hoc committee to investigate alleged discrepancies in pay. -Pen

STARTS 23rd MAY
3 DAYS ONLY!
SAVE 100⁰⁰!



RED
SPOT

23/5/90

335

Downturn gathering momentum — Sanlam

By Sven Lünsche

The slowdown could continue well into the middle of 1991 as the current downturn in general economic activity is gathering momentum, writes Sanlam in its latest Economic Survey.

The economists estimate that real gross domestic product (GDP) will rise by only 0,5 percent this year.

They add that the forecast of a positive GDP growth rate is closely tied up with the expectation that the foreign trade sector — in particular owing to the decline in imports — will contribute positively to the growth.

"We expect that real gross domestic spending will decline by about three percent in 1990, which will not be as bad as the drop of almost eight percent in the previous downturn in 1985," Sanlam writes.

However, the report states that most economic indicators that are sensitive to the business cycle have only recently confirmed the lower rate of growth in economic activity.

These indicators include unemployment figures, retail and car sales, and manufacturing and mining production volumes (see graphs).

Unemployment

On unemployment Sanlam reports that the past year's rapid economic growth rate has led to a marked decline in unemployment this year.

The number of registered unemployed Whites, Coloureds and Asians had, for instance, dropped from more than 82 000 in August 1986, to less than 43 000 by the end of 1989.

However, the report warns that "it remains alarming that — according to official figures — almost three-quarters of a million blacks, or less than 10 percent of the economically active black population, are still unem-

ployed."

Retail sales had dropped markedly since the latter half of 1988, although spending had stayed relatively high, but real spending on most consumption categories was "declining noticeably".

The high level of interest rates was also making credit financing very expensive, Sanlam writes.

Car sales

Sales of new passenger cars were down by an annual 20 percent in April and were expected to drop further due to "continued high financing costs and high prices of new vehicles."

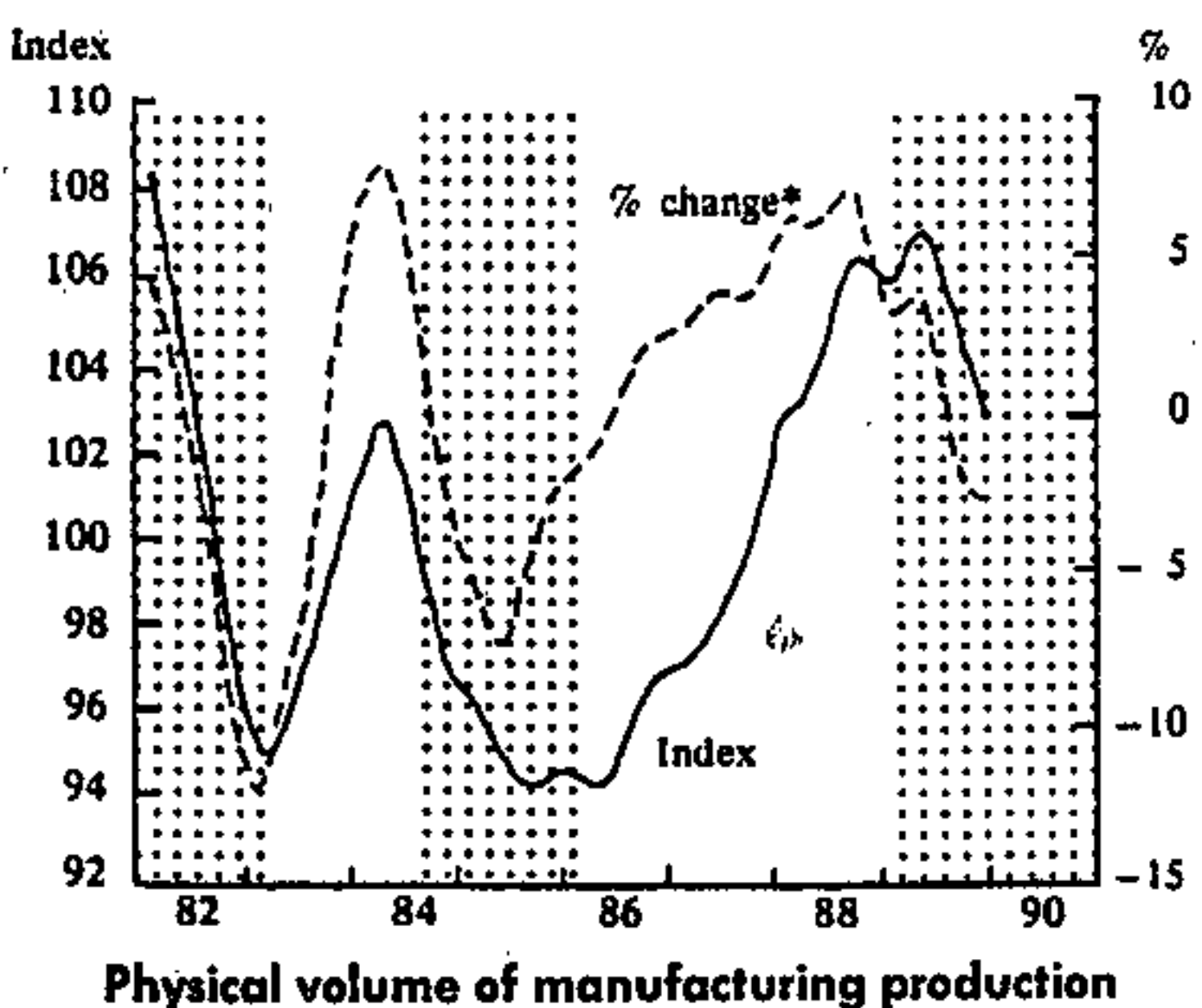
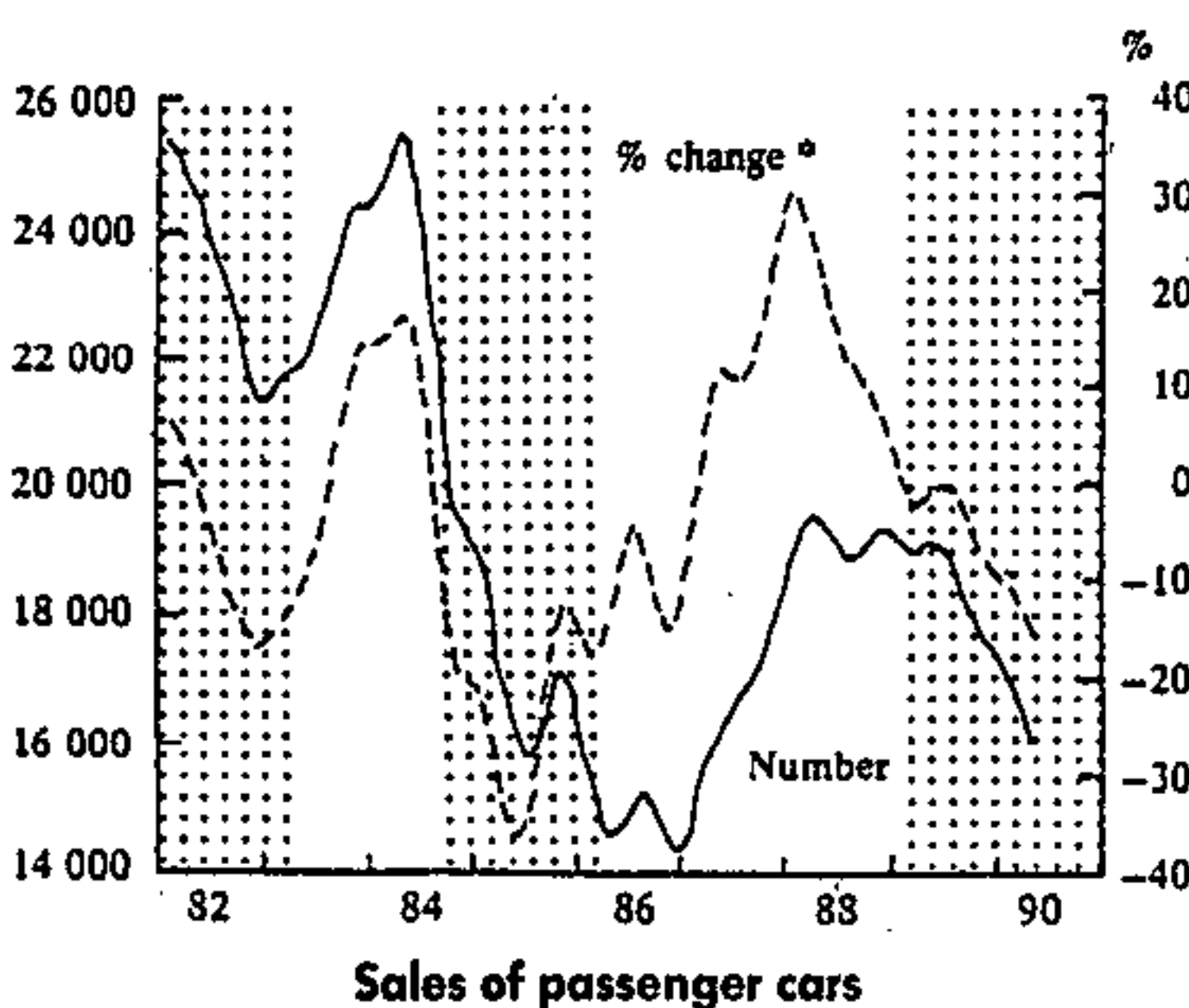
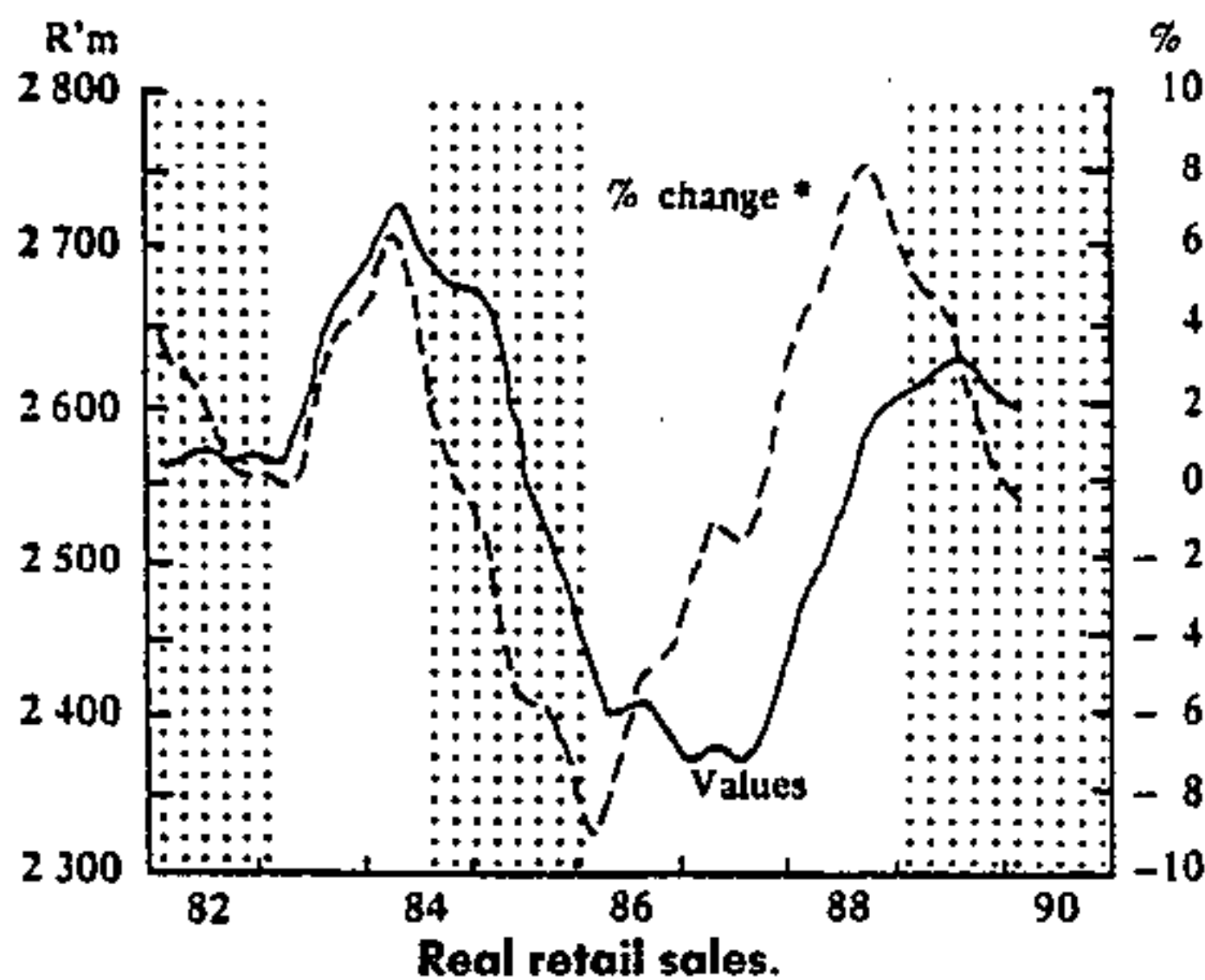
Factory output had also declined in volume recently, led by a decrease in investment activity of businesses and the relatively poor conditions in the transport sector.

Last year's strong export performance, which led to a fairly constant utilisation of production capacity of about 84,5 percent, countered the falling trend during the year, but Sanlam expects business conditions in the industrial sector to deteriorate further in the year ahead.

This coincides with recent statistics by the Industrial Development Corporation which showed that, while production volumes in the fourth quarter of last year were unchanged on the preceding three months, they were down by two percent when compared with the fourth quarter of 1989.

The building industry is also expected to suffer from the downturn, as the continued high bond rates, rising building costs, the expected curtailment of public sector investment and low capital spending by the private sector takes its toll.

This trend can already be observed in the decline in the value of completed building plans, Sanlam says.



● Monthly in comparison with the same month a year ago. Shaded areas indicate downturns.

WORKERS at one of Cape Town's largest clothing factories are to take protest action against an attempt to retrench more than 200 employees.

Sc 16 2315 - 29/5/90

Hours after several workers received letters on Tuesday with proposals on retrenchments, hundreds of Rex Trueform workers attended a militant lunchtime meeting at the headquarters of the South African Clothing and Textile Workers' Union (Sactwu) in Salt River.

Speakers at the meeting claimed the letter, in which the company says it has been "fair and patient" with Sactwu, was an attempt to by-pass union structures and divide workers.

Clothing workers in 'state of war'

Sactwu and Rex Trueform have been discussing the proposed 230 retrenchments since mid-April.

Sactwu legal officer, Mr Des Sampson, said the union had sent a letter to the company demanding that it be given an opportunity to speak to all workers at the company or it would take legal action.

Sactwu regional vice-chairperson, Ms Connie September, said the union and the company were in a "state of war".

ABOUT 1 400 workers were dismissed from a Woodstock frozen food factory on Tuesday after a strike over wage demands.

In another incident in which management responded to unprocedural labour stoppage, 100 Kuils River sawmill workers were dismissed for a work stoppage.

Members of the Food and Allied Workers Union downed tools at the Irvin and Johnson factories in Woodstock and Paarden Eiland last Thursday.

The Paarden Eiland workers subsequently returned to work but workers at the Woodstock plant continued their industrial action.

A worker representative said the

Over 1 400 frozen food workers dismissed

workers were demanding a minimum wage of R200 a week while the company had offered them R163.

The company did not respond to enquiries. *Sc. Al 23/5/-27/5/90*

Meanwhile, about 100 sawmill workers in Kuils River are without jobs after a row about whether workers should be paid on a weekly or fortnightly basis.

The workers, members of the Black Construction and Allied Workers' Union (BCAWU), claim that management at Boland Wood went back

on an agreement to change the pay system from fortnightly to weekly.

A spokesperson for the workers said some of them stopped work the previous Friday to demand that the company manager meet with them to explain why they were not being paid that day.

When they returned to the plant the following Monday, only those workers who had not taken part in the stoppage were allowed onto the premises.

The entire workforce then refused to work, the spokesperson said.

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CAM-7:15 23/5/90 (335)

Concern over unemployment

THE past year's rapid economic growth rate had led to a marked decline in unemployment this year, Sanlam said in its economic survey for May.

The number of registered unemployed whites, coloured people and Asians had, for instance, dropped from more than 82 000 in August 1986 to less than 43 000 by the end of 1989, with black unemployment following the same falling trend.

But the report warned: "It remains alarming that — according to official figures — almost 750 000 blacks, or less than 10% of the economically active black population, are still unemployed."

Retail sales had dropped markedly since

the latter half of 1988, although spending had stayed relatively high, but real spending on most consumption categories was "declining noticeably".

Sales of new passenger cars were down and were expected to drop further due to "continued high financing costs and high prices of new vehicles".

Factory output had also declined in volume recently, and the report expected business conditions in the industrial sector to deteriorate further in the year ahead.

"There are growing signs that the downturn in general economic activity is gathering momentum. We expect that real gross domestic spending will decline by about three percent in

1990, which will not be as bad as the drop of almost eight percent in the previous downturn in 1985," the report said.

Inflation was expected to run at around 14% for 1990, with the inflation rate for food, especially, being "still very high".

Although the rand was expected to perform "fairly firmly" in the next few months, it was necessary in the long term for South Africa to "push its inflation rate to considerably lower levels if it wishes to protect its currency and keep its products competitive on foreign markets".

The current account on the balance of payments was expected to show a surplus of around R6 billion in 1990. —
Reuter

JOB losses are set to become a major point of friction between the government and labour as the recession sets in.

Even though unemployment will probably not fall to the levels of the mid-1980s, the hardships created by the present downturn are likely to be more controversial. Economic policies are increasingly being subjected to debate and eventually to national "negotiation".

It is likely that the Congress of South African Trade Unions (Cosatu) will be represented in future talks between the African National Congress and the government.

The ANC and Cosatu are developing a more sophisticated economic agenda. For the first time the views from such quarters will be taken seriously by business and the government.

Whereas the ANC and Cosatu, among others, focus on the plight of their members and constituency — and in this have the advantage of the moral high ground — for the government and most private sector economists the seriousness of the downturn and the resultant unemployment is primarily its repercussions for long-term economic policy.

Will the government opt for prema-

Job losses set to spark state and labour conflict

By BRIAN GOLD

ture relief in the form of easier monetary and fiscal policy which in turn will upset its economic policies that are only now enjoying widespread credibility among business?

The government is under increasing pressure as constitutional negotiations near and ANC/Cosatu strength grows. The question is whether the resurgence of the "econocrats" (under Finance Minister Barend du Plessis and Economic Co-ordination Minister Wim de Villiers) can be sustained.

The econocrats and their supporters worry that a greater burden on government funds and/or easier monetary policy is inflationary. Inflation is to them enemy number one. Easier economic policies are primarily lower interest rates and/or reductions in government spending.

Such policies boost the economy. In so doing they are not only inflationary but, by encouraging spending and hence imports, put pressure on the current account of the balance of

payments at a time when there is limited foreign capital to finance a deficit. Given the government's improved international image and higher reserves the authorities now consider this a secondary constraint.

According to this argument, for short-term gains the long-term effects are inflation and balance of payment problems, and these means lower growth. The government and business believe the pain endured now is vital to lay a solid foundation for the future. The indicators of recession are seen as encouraging omens.

The increasingly criticised easy economic policies of 1986 and 1987 are being trotted out as an example of the danger of adopting too stimulatory a policy. The argument is growth in subsequent years was not sustained because inflation was not brought down far enough.

The econocrats believe with inflation as high as it is, it is even more dangerous to adopt an easier economic policy. We are warned that inflation would exceed 20 percent and in

five years time unemployment would be higher than ever.

Yet these critics often forget just how difficult it was to get any investment even when prime was 12.5 percent.

The main threat to the econocrats are the government's constitutional mandarins, who will push for an economic easing before the econocrats because it suits their interests.

However, the difference should not be overemphasised. There is agreement within government on its unemployment stance, represented by the R2-billion Jan Steyn fund, state unemployment benefits and training schemes.

But the ANC and Cosatu see things differently. They believe the state has a responsibility to care for the unemployed. The government believes it is only responsible for interim relief and that long-term solutions are the province of business.

This leads to another fundamental difference between the government and Cosatu and the ANC.

That difference arises from the government's drive to reduce inflation by calling for an end to what it considers excessive wage rises. This is unacceptable to unions who reject the trade-off between jobs and wages.

Unemployment, inflation adding to SA's problems

Southern 25/5/90

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SOUTHERN Africa was faced with a wide diversity of severe socio-economic problems and constraints which included low economic growth rate; poor and inadequate housing in black areas, Nafcoc president Dr Sam Motsuenyane, said this week.

Speaking at the diploma-day ceremony at the M L Sultan Technicon in Durban, he said the rampant inflation, escalating unemployment, shortage of skilled manpower, flight of capital from the region due to the imposition of international sanctions and disinvestment, had added to the problems.

The political, financial and other major constraints that must be overcome to enable blacks to become meaningfully integrated into South African economy did present the country with problems of momentous proportions.

On the political front, some hopeful signs of possible positive changes in the near future were already beginning to emerge. One such signal was the candid acceptance, at long last by the South African Government, that apartheid was not only morally indefensible, but it also hung like "milestone

around the country threatening to destroy its existence," he said.

"What is gratifying is the fact that new leadership of Mr F W de Klerk, has committed itself towards the total phasing out of apartheid and the creation of a new South

Africa.

However, he said, on the economic front black entrepreneurs remained severely hamstrung and artificially restricted by discriminatory laws and regulations. He referred to the Group Areas Act, Land Act, Separate

Amenities Act and others.

"The black entrepreneurs presently operates on the marginal fringes of the South African economy, largely as small retailers, manufacturers, peasant farmers and operators of various service industries.

Fired councillors fight back

Members of the dissolved Lekoa City Council last week lodged an application in the supreme court to have the council reinstated after it was dismissed earlier this month by the Transvaal Provincial Administration (TPA) for failure to administer its financial matters efficiently.

Chairman of the dissolved council's management committee, Esau Mahlatsi, said they held a meeting on Friday after residents had demanded information on what had led to their dismissal.

He said residents had reiterated a call made by the president of the United Municipalities of SA (Umsa) for the resignation of Olaus van Zyl, MEC in

charge of local government.

Mr Mahlatsi accused Mr van Zyl of "instilling fear" in the councillors by making them take decisions that would make them unpopular in the township.

Although the council was instructed last year by the TPA's executive committee to rectify its affairs, its finances had been in a worse position this year than they had been last year, Mr van Zyl is reported to have said.

Some of the mandates the council allegedly failed to obey included its failure to suspend electricity supplies to consumers who had not paid their accounts and their not having taken legal action regarding the matter.

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She
23/5/90

Faire's Career Centre reaches up to 25 000

Having got off to a good start at last year's Computer Faire, the Career Centre is well on its way to doubling its bookings for this year's show at the National Exhibition Centre, Crown Mines, from May 16 to 19.

The centre provides a vehicle for potential work seekers in the computer industry and allows people to window-shop without obligation, says Computer Faire Co-ordinator Alice Goldman.

Personnel agencies, training consultants and large computer users see the centre as the ideal forum for reaching up to 5 000 people who are interested in computers and who are expected to visit the show.

QUALIFIED

Mackie Glasser, chairman, Computer Faire, says: "The power of Computer Faire as a vehicle for the Career Centre is that it attracts qualified visitors who are interested in some aspect of career prospecting, whether from an employee or employer perspective."

Having a strong presence at the centre this year are SA Ereweries, Standard Bank, First National, Liberty Life, Old Mutual, CG Smith Sugar and the SABC, who will discuss the many opportunities available in their organisations for potential newcomers.

Edrien Smith, systems manager, information



Mackie Glasser

services division, SAB, says his company believes the centre will provide important exposure.

"The people we are hoping to talk to are going to be there anyway. That is why we see the Career Centre as the ideal meeting place for reaching potential employees."

This will be Old Mutual's second year at the centre. Last year was worth it over and over again, says Suzette Turner, senior computer manpower specialist.

"Having paved the way by talking to recruitment companies beforehand last year, we arranged several interviews in advance. As a result, we employed quite a few people at management level."

"We have a number of vacancies in Cape Town. Our division employs more than 900 who work with leading edge technology."

This year, Old Mutual is looking specifically for programmers with three

years' experience or more, team leaders and analyst programmers.

The company runs a DP bursary scheme. Previously, it took only university students but is now prepared to take technikon students.

Piet van der Vyver, systems personnel manager, Sanlam, says the Career Centre helped his company establish that it had not been as competitive as it thought. Since last year's show, it had made drastic changes in salary structures and believes it is now totally competitive in the Cape Town market.

EMPLOYS 220

It employs 220 in its systems development department and trains about 60 a year in entry level programming. It has several openings in PC and mainframe areas.

"We are looking for people with computer science degrees, people with PC skills and those with fourth-generation skills," says Mr van der Vyver.

Bob Allan-Reynolds, personnel manager, CG Smith Sugar, says: "Recruitment fees are unbelievable. The cost for a system analyst or analyst programmer, for example, is R5 000 to R8 000."

"If we can recruit one person in this category at the Career Centre, it will almost cover our costs; if we recruit two we will make a profit."

Row over dismissal of 44 Lekoa councillors

By Stan Hlophe

Controversy surrounds the dismissal of 44 Lekoa councillors by the Transvaal Provincial Administration for allegedly failing to rectify the council's unhealthy state of financial affairs.

The mayor, Kate Ngwenya, said yesterday that she and her fellow councillors had not been informed of a decision by TPA MEC, Olaus Van Zyl, to dismiss them for failing to handle the council financial affairs, nor had she been informed by the chief executive officer, Nicholas Louw.

This followed a decision by the TPA to dismiss the councillors for allegedly failing to heed instructions to put their

house in order. Instead the council's financial state had worsened, Mr van Zyl said.

Ms Ngwenya says:

"I was not officially informed about the decision and was surprised to find on Friday morning a report that we had been dismissed.

"This came as a shock to me and my fellow councillors. What is even worse is that my chief executive officer did not bother to inform me of TPA's decision.

"Van Zyl did the same thing last year when he gave my council and the Soweto city council an ultimatum

— through the media — to put our house in order or face the consequences.

"We were only informed two days later of what had already been made known to the whole world. This proves that some of the white officials are not yet geared for change at a time when the State President is moving forward.

"Van Zyl is expecting us to enforce the unpopular and sensitive laws during this era of new development.

"I want to make it clear to him that we have been elected by the people and we will only be removed from office by the people who put us there. We know the people's needs and we have com-

mitted ourselves to serve them."

Mr Louw says:

"I received a call from Mr van Zyl at 4 pm on Thursday informing me about the TPA's decision. I later referred the call to Easu Mahlati who refused to take it.

"I could not contact the mayor as she does not have a telephone. I took it for granted that she and other councillors would know about the news on the box.

"On Friday morning, I did not see Ms Ngwenya. I still have to receive a formal letter and then I will be able to inform the full council at their monthly meeting on Wednesday."

29/5/90 (335)

NEWS

Stalemate over job dispute

Staff Reporter

Accusations of racist comments and unfair dismissal led to a bitter dispute between a personal chauffeur and the Sage Holdings chairman

that snowballed into 18 months of fierce correspondence and two Conciliation Board hearings. Now both parties wait to take the matter to court.



Mathews Baloyi says:

Sage Holdings' chairman allegedly called him a "cheeky bastard" and forced him to resign in what an industrial relations firm claims to be a shocking display of employer behaviour.

Mr Baloyi, who describes himself as a loyal employee of 16 years, says his boss, H F Shill, asked him to resign in January last year. He claims he was pressured into doing errands for other members in the company while Mr Shill was overseas.

When he refused to resign, he received his only disciplinary action in nearly two decades — a final written warning. Mr Baloyi claims he was victimised, harassed and humiliated. He says he was demoted to a driver's assistant and made to carry boxes and wash cars.

Because of this "unfair treatment", Mr Baloyi says he sought legal advice. Industrial relations consultant Philippe van Welbergen sent letters to the Sage group asking for an explanation.

Attempts were made in vain to settle the dispute through the Conciliation Board.

Mr Baloyi's health deteriorated to such an extent "under the stress and pressure" that on August 15 he was forced to resign against his will, he claims.

Mr Baloyi says he was put in a position where he could neither support his wife and three sons nor pay his housing bond.

Even securing a position became difficult because, he claims, Sage would not give him the reference his colleagues and advisers felt he deserved.

Dr van Welbergen says: "Mr Baloyi worked faithfully with 100 percent attendance until Mr Shill conducted his campaign to get him to leave.

"We demand a full inquiry into Mr Shill's behaviour and want an apology ... Even though Mr Baloyi was constructively dismissed, the company still insist that he left of his own free will."

H F Shill's reply:

Mr Shill told The Star these accusations were unfair and inaccurate.

Sage Holdings manager Bob Hazzard said they were very concerned about the allegations and surprised that the matter was still continuing.

"After two Conciliation Board hearings, no settlement was reached, so we prepared ourselves to go before the Industrial Court. However, Mr Baloyi and his advisers dropped the matter so we thought that was the end of it.

"Mr Baloyi was not dismissed, he resigned. Neither did we try to prevent his getting another job by giving him a poor reference. We gave him the standard certificate of service.

"He was not demoted. Because the inter-personal relationship between Mr Shill and Mr Baloyi had become untenable, he was transferred to another department, but still with the same salary and as a driver ..." Mr Hazzard said.

"We are very suspicious about the motives for Mr Baloyi's wild accusations. We were worried that outside and malicious forces were motivating him, so we were very careful to follow the proper legal procedures."

R 300-m IDC plan to create more jobs

335 30/5/90

By Derek Tommey

The Industrial Development Corporation, which has played a major role in stimulating economic growth, has announced a scheme which should result in a substantial increase in productivity.

For the ordinary individual the importance of this scheme is that in the long term it should also lead to what one believes almost all South Africans want — bigger pay-packets.

Low productivity

At present there is a huge hurdle to overcome before employers can increase wages to any significant extent.

What people get paid ultimately depends on their productivity. And not to put too fine a point on it, the general level of worker productivity in South Africa is terribly low.

A recent informal survey by a major multi-national company found that the productivity of its South African workers was one half that of Brazilian workers, and one seventh of workers in Germany. Few local employers with experience of overseas productivity levels are likely to challenge this finding.

It is clear that if South Africans are to increase their earnings they will have to increase their productivity. And this the Industrial Development Corporation scheme should do. It should also increase general productivity, provide more jobs and help companies to increase their turnover and profits. It should also increase exports and help South Africa earn more foreign exchange.

It intends to achieve these benefits by persuading manufacturers to work more than one shift a day.

The advantages which double and treble shift-working bring in greater productivity and lower unit costs are so great that one would think that South African management needed no encouragement to change to this way of working.

Idle capacity

But a recent survey by the former Federated Chamber of Industries found that 70 percent of manufacturing firms worked only one shift. A large proportion of South Africa's productive capacity, therefore stood idle for up to 16 hours a day.

Employers give numerous reasons for this. They include people's unwillingness to undertake shift work, the difficulty in getting supervisory staff and a lack of demand for their products. But FCI officials think it is also reflects a state of mind in industry that needs to be changed. But Mr PJ van Rooy, chairman of the IDC pointed out when announcing the scheme that local manufacturers have no choice but to increase productivity.

Overseas competition is increasing and the authorities have signalled that they will not subsidise or protect non-competitive undertakings.

Efficient use of resources

Scarce and expensive resources must be used more efficiently to survive.

The IDC's scheme does not rely on exhortation alone, although it plans to hold numerous seminars.

However, to add muscle to its intentions it plans to provide up to R100 million a year for the next three years in low interest loans (9 percent) to manufacturers prepared to introduce shift work.

The money will be used to meet additional working capital requirements which tend to increase by about 25 percent when two-shift working is introduced, says Mr WC van der Merwe, the IDC's managing director.

Loans will also be granted for the purchase of equipment to remove production bottle-necks.

The loans will be available to independent industrialists and to groups with total assets of up to R100 million. The minimum loan will be R150 000.

If the IDC's new scheme has the same success as its previous one which offered R315 million in low cost loans to industry for capital equipment it will be well worth while.

It is estimated that the investment of R315 million generated R1 billion a year in foreign exchange — half coming from exports and half from import replacement — and created 14 500 new jobs and stimulated R1.3 billion in new investment.

Putco drivers

By MOKGADI PELA

PUTCO plans to re-hire 160 of the 400 workers dismissed at the bus company's Wynberg depot about three months ago.

The workers were dismissed after a strike which later led to the closure of the depot.

Talks between the workers, represented by the Transport and General Workers' Union, and the company broke down two months ago when the parties could not reach agreement on the question of reinstating the entire workforce.

Reinstate

However, the workers insist that Putco should re-hire all 400.

Putco's general manager for human resources, Mr Isaac Tait, said although the company appreciated the problems faced by commuters, it would be "uneconomic" to reinstate all the 400 workers.

He said unless the old drivers returned to work, the service could not be re-opened.

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Sowetan

Monday May 30 1990

Ruling over loo led to strike, say fired men

A GROUP of workers claim they have been fired by a Meyerton firm, Homecraft, for going on strike in protest against a ruling by management that they clock out when going to the toilet.

But a manager of the company, Mr Dave

Sowetan 30/5/90
By LEN MASEKO

Monroe, yesterday refuted the allegation, saying the workers were fired for downing tools. He would not divulge the reasons for the strike. (335)

The workers said their row with the company started when an employee, a Mr Klaas Mazibuko, refused to clock out when he went to the toilet. He was later dismissed.

* The strike by 600 employees of the Kagiso Town Council has been called off, according to a spokesman for the National Union of Public Service Workers. (335)

NUPSW official Mr Frans Sebeane said the two parties yesterday agreed on a 15 percent increase for NUPSW members, retrospective to January.

* Wage negotiations between the National Union of Mineworkers

and the Chamber of Mines resume today.

The chamber has offered between nine and 14,4 percent for mine-workers in the gold and coal sections. The union demands average increases of 30 percent.

* About 500 workers downed tools at Katlehong Town Council yesterday - for the second time in as many weeks.

They demand the resignation of a white

council official whom they accuse of being "a racist".

* About 10 000 OK Bazaars employees are balloting this week to decide whether to go on strike in support of their wage demands, a spokesman for the South African Commercial and Allied Workers' Union said yesterday.

Saccawu official Mr Jeremy Daphne said results of the ballot would be released on Friday.

Union to tackle retrenchments in furniture industry

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THE Paper, Print, Wood and Allied Workers' Union (Ppwawu) has launched a campaign to recruit workers employed in the furniture industry in the Western Cape.

A Ppwawu spokesperson said the union had launched the campaign because a growing number of workers in the industry had indicated interest in joining Ppwawu.

The industry is presently dominated in the Western Cape by the National Union of Furniture and Allied Workers (Nufaw).

Security

The spokesperson said Ppwawu intended fighting for job security in the industry where retrenchments do not presently have to be negotiated.

He said that the union was seeking legal advice about

an attempt to exclude workers who were not members of Nufaw from sick fund benefits.

Contribution

Ppwawu has issued pamphlets calling for a minimum wage of R262 a week, a 40-hour week, 20 days' paid sick leave, six months' maternity leave, and five weeks' annual leave.

Ppwawu has also called on employers to increase their contribution to the provident fund.

At present, workers pay 70 cents a week and employers pay 10 cents.

Ppwawu organises furniture workers in other regions but has previously been unable to make significant inroads into the industry in the Western Cape.

Major drive to create jobs by the thousand

ARB 335 6/6/90

The Argus Correspondent

JOHANNESBURG. — Tens of thousands of new jobs could be created in the industrial sector if the South African Chamber of Business succeeds in persuading employers to introduce extra shifts to double normal production runs.

Sacob director-general Mr Raymond Parsons said yesterday that hundreds of manufacturers were being lobbied to plan double-shift systems that would mean the recruitment of bigger labour forces.

The carrots being offered are low-cost loans from a R300-million fund created by the Industrial Development Corporation (IDC) and open to industrialists who join the action plan to blunt the unemployment problem — and boost profits by better and more efficient use of production tracks.

Sacob believes the scheme may prove a major factor in averting growing threats of retrenchments in the economic slowdown expected to persist over the next few months.

Manufacturers will be encouraged to use the boost in production flows to swing the emphasis of industrial sales to export markets to offset cutbacks in demand on the domestic market.

Details about the master plan will be spelled out at a series of seminars Sacob is planning in conjunction with the IDC in Johannesburg, Durban and Cape Town.

Sacob believes the scheme not only promises a major boost in employment opportunities but also lower consumer prices on a wide range of manufactured goods as a result of lower production costs stemming from more effective use of factory equipment.

Own Correspondent

DURBAN. — Three Frame Group plants — two in Durban — are to close with the loss of 1 850 jobs.

The mills are at Wentex in Jacobs where blankets and fabrics are made; and two polypropylene bag plants at New Germany and Qwaqwa where the plant and stock have been sold.

The bulk of the staff who will lose their jobs are at the Durban sites.

A spokesman said the closures were to be phased over July and August and timing was dependent on the level of orders. Negotiations with the trade unions would cover the staff to be retrenched.

Executive chairman, Mervyn King, said yesterday after a board meeting that the

Frame plants to close 1 850 jobs lost

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closures were the second stage of the restructuring of the group.

He said the polypropylene plants were being closed because of the competition. Decentralisation benefits had encouraged Taiwanese manufacturers to go into this business and it was now unprofitable for Frame.

He said blanket production would continue at the same level as before, but from fewer

sites and with more modern machinery. The East London blanket plant was, with modern equipment, able to produce its own quota and that from the Wentex mill.

He said the object was to "strive to obtain a better return on assets resulting in the group remaining more competitive which was in the longer better-term interests of all the group's stakeholders including the employees."

March against food prices

A MARCH to demand a drop in food prices is scheduled to take place in Cape Town, Mossel Bay, George, Plettenberg Bay, Victoria West, De Aar, Ashton, Robertson and Worcester this weekend. The march in Cape Town, scheduled to begin at Kaisergracht Street at 9am, will be to the government's HF Verwoerd Building.

Supports of a demand for cheaper bread and milk and the scrapping of GST on basic foodstuffs. Wecuwu is also demanding work for all and a living unemployment benefit, the lifting of the state of emergency and the dropping of all charges against people who participated in a previous demonstration by unemployed workers.

The march, organised by the recently-formed Western Cape Unemployed Workers' Union (Wecuwu), is support of community organisations for the campaign.

Job cuts in leather industry

By CHIARA CARTER

ONE of the largest leather factories in Cape Town began a major retrenchment programme this week.

On Monday, 80 workers were retrenched at Jordan and Company in Elsies River; more job losses are to follow.

The company proposes to retrench 250 workers — about 15 percent of the total workforce of 1 400 workers.

The move comes against a background of widespread ongoing job losses in the industry throughout the country.

A spokesperson for the National Union of Leatherworkers (NULW) said the union had met with the company last month to discuss the proposed retrenchments, but the company refused to provide financial statements.

He said NULW was excluded from subsequent negotiations.

A spokesperson for the South African

Clothing and Textile Workers' Union (Sactwu) said the union would take legal action against the company for not providing sufficient information about the reasons for the retrenchments.

The Sactwu spokesperson said the company had initially proposed to retrench 100 workers this week but the union had persuaded them to reduce this to 80.

The spokesperson said Sactwu was trying to persuade management to agree to a retrenchment package of two weeks' pay for every year of service.

Company spokesperson, Mr J R Jordan, said the downturn in the economy had had a severe impact on the men's footwear industry, resulting in short time and closures.

"Jordan has not escaped this situation and has reluctantly found it necessary to reduce its manufacturing complements to reflect the current workload," Jordan said.

"Once business recovers, the company will restructure to its normal manning levels," he said.

South 7/6 - 13/6/90

Frame to sack 1 850 workers

By Derek Tommey

The Durban-based Frame Group, the country's largest textile manufacturer, is to retrench about 1 850 workers.

This was announced last night by group chairman Mr Mervyn King. The retrenchments follow a decision to shut several operations because of trading difficulties.

Among the plants to be closed are the group's oldest at Jacobs which manufactured blankets and fabrics, as well as the polypropylene bag manufacturing businesses in QwaQwa and New Germany.

"This was in the longer term interests of all the group's stakeholders.

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Frame Group is to shut three factories

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THE Frame Group, SA's major textile manufacturer, yesterday announced the closure of three factories that will result in the retrenchment of 1 850 employees.

Executive chairman Mervyn King said the move was necessary to obtain a better return on assets and make the group more competitive. It was part of the second phase of its restructuring programme and involved employees on all rungs of the ladder.

Among the factories due for closure is Wentex Mill in Jacobs (Durban), the oldest plant in the Frame Group. It manufactures blankets and fabrics and employs 1 400 workers.

The polypropylene bag manufacturing businesses in QwaQwa and New Germany would also close. Decentralisation benefits had encouraged Taiwanese manufacturers to go into this business and it was now unprofitable for Frame, King said.

The reduction in the number of sites meant a leaner group would emerge.

"We now have information on which we can make reliable decisions and these include the closure, disposal and relocation of certain of the businesses of the group. This is consistent with our stated objec-

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tives," he said.

Concentrating its blanket business in fewer sites by closing the Wentex plant would have little impact on production because of modern plants and machinery, he said.

The East London blanket plant was, with modern equipment, able to produce its own quota and that of the Wentex mill.

The first phase of the restructuring programme was to increase profitability and involved the decentralisation of the management structure, the creation of business units and the improvement of the quality of management information.

King said the restructuring and closures were taking place notwithstanding the downturn in the economy.

He regretted laying off 1 850 employees, he said. Between 1985 and 1989 year-end total staff declined by 7 000 from 26 187 to 19 146.

Our Durban correspondent reports a spokesman said the closures were to be phased over July and August and timing was dependant on the level of orders.

CAPE TOWN 12/6/90 (128) 335

Survey shows huge income disparities

Own Correspondent

JOHANNESBURG. — Statistics published recently by the SA Advertising Research Foundation (SAARF) demonstrate continuing huge income disparities in SA, with 74% of black households earning less than R700 a month in the 1988/9 period compared to 7,9% of white households (see table).

The figures are part of the latest All Media and Products Survey (AMPS), which is produced annually and is aimed at the advertising and media industries.

About 16 400 households — urban and rural — were surveyed in the period August 1988 to April 1989.

The extent of the wealth gap is further illustrated by statistics at the upper end of the scale which show only

2,4% of black households earn more than R2 000 a month compared to 65,8% of white ones.

And while recent studies have shown a substantial narrowing of the black/white wage gap in the last decade, the SAARF figures suggest no such narrowing — and possibly a widening — of the racial gap in household income.

The paradox, one economist said, was probably due to soaring

black unemployment. While the wage gap between formally employed blacks and whites was narrowing in percentage terms, larger numbers of unemployed blacks reduced average black household income.

The AMPS survey showed average white household income standing at R3 297 compared to R521 for blacks — a ratio of 6,3 to 1.

The comparable ratios extracted from AMPS

figures in 1984 and 1985 were 6,7 and 5,8 to 1 respectively.

JCI economist Ronnie Bethlehem and Rand Merchant Bank's Rudolf Gouws said they would require more time to systematically evaluate the data, but said they were "not surprised" by the inequality.

Bethlehem said the figures were alarming but roughly in line with a University of Natal study a few years ago.

Lorraine to cut workforce by 600

CAP TIPS 13/6/90

Own Correspondent

JOHANNESBURG. — Anglovaal Free State gold mine Lorraine is to retrench at least 600 (about 6%) workers over the next four months, and cut its tonnage milled by 10%.

The announcement last night by Anglovaal signals the first bloodletting after the sharp recent drop in the gold price.

Analysts have been expecting a drop in Lorraine's milling rate to be announced.

Anglovaal's contingency plans, after disappointing development values from Lorraine's Eldorado reef, have seen the mine's capital expenditure curtailed to an absolute minimum over the past few years.

Analysts say that maintenance of profitability at Lorraine could be crucial for development of Anglovaal's massive potential deep-level mine, Sun.

Lorraine has experienced difficult mining conditions for a number of years, and unit costs are among the highest in the industry. It has not paid a dividend since its 1988 final of 25c. The mine, situated at Allanridge in the Free State, opened in 1955 and currently employs about 10 000.

In the March quarter, Lorraine's working costs before capital expendi-

ture were R1 019/ounce. At the current rand gold price, the mine is losing at least R150/ounce, based on its March quarterly results. It recorded a small profit after tax in the March quarter of R3,2m.

Lorraine's gold output climbed rapidly over the past decade to 9 014 kg in 1985, falling to 8 029 kg in 1989.

One major problem has been that Lorraine's development values on its Eldorado reef have been disappointingly low, dropping ore reserves from 5,1m tons to 4,3m tons.

Anglovaal said last night that "in the light of the prevailing low gold prices, combined with rapidly-escalating costs, it has become imperative for the mine to reduce total costs and minimise the extent of future losses."

The effect of the rationalisation programme, says Anglovaal, will be that, over and above normal attrition, about 6% of the mine's 10 000 employees will be retrenched over the next four months.

The retrenchments will be concurrent with a reduction of 10% to about 120 000 tons a month (stated capacity is 137 500 tons a month).

Anglovaal says: "Every effort is being made to minimise the number of retrenchments by placing affected employees on other mines within the Anglovaal group and elsewhere."

TOP OF FINANCE

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Retrenchments at Loraine

In order to minimise losses at its Loraine gold mine at Allanridge in the Free State, Anglovaal is embarking on a rationalisation programme.

It says that because of the low gold price, combined with escalating costs, it has become imperative to reduce total costs and minimise the extent of future losses.

The rationalisation means that about six percent of the mine's 10 000 employees will be retrenched over the next four months. The retrenchments will be concurrent with a reduction of 10 percent in mill throughput to 120 000 tons a month.

SACTWU DISPUTE

50-147-1416-20/6/90
Frame's Wentex mill in Jacobs and two bag plants in New Germany and Qwaqwa have been sold. The staff will be retrenched within the next two months. (S) (S)

Frame executive chairperson, Mr Mervyn King, said competition from subsidised Taiwanese factories in the homelands had made Frame unprofitable. (335)

Barlow Rand recently closed its Romatex plant in Durban, using the same argument.

There have been widespread retrenchments and short-time employment in the clothing and textile industry recently.

1 100 jobs axed, thousands more in danger

Mine layoffs begin as gold price slumps

SK 14/6/90 335

By Finance Staff and Sapa.

As the gold price slumped to its lowest level in four years, two South African gold mining companies announced the retrenchment of more than 1 100 miners. And hundreds, perhaps thousands, more jobs are in jeopardy.

Gold opened in Hong Kong today at \$350,85, little changed from its close in London yesterday, when it dropped \$5 to \$350,50, a price last seen in July 1986.

Gengold's managing director, Gary Maude, announced yesterday that the Stilfontein mine in the Western Transvaal would lay off at least 500 workers in the next few days.

He said this was a continuation of a programme which had resulted in the loss of 13 000 jobs in the group over the past 12 months. Unless the gold price recovered, a further 2 000 to 3 000 workers could be retrenched within the next three months.

Earlier, Anglovaal announced that the group's Loraine mine in the Free State was to retrench 600 workers, about 6 percent of the 10 000 workforce, over the next four months, because of the low gold price and increasing costs.

Options open

Spokesmen for other mining companies said there were no plans at present for retrenchments. However, the country's biggest gold producer, Anglo American, said it was constantly monitoring the situation and it was keeping its options open.

Analysts have identified three other mines which are particularly vulnerable to the gold price. These are ERPM in Boksburg and Western Areas and Libanon on the Far West Rand.

They said there were also individual shafts in better quality mines which would also be under pressure if the gold price stayed at current levels over the next few months.

As the rand has remained steady in recent weeks at about R2,66 to the dollar, the full effects of the lower gold price have been passed on to the gold mines, which are now receiving only R935 an ounce, compared with R1 064 earlier this year.

Speculation is growing over whether the Reserve Bank will allow the rand exchange rate to fall to help cushion the gold mines against the low dollar price.

See Page 16.



Crucial EC vote on sanctions

By Esmaré van der Merwe,
Political Reporter

STRASBOURG — Nelson Mandela yesterday delivered an emphatic plea to a packed European Parliament (EP) assembly for the maintenance of full sanctions against South Africa.

The African National Congress deputy president received a standing ovation from the parliament, in which all 12 European Commu-

nities predicted a close vote.

Mr Mandela, who received the EP's Sakharov Prize for "freedom of the spirit" in 1988 when still in jail, told the influential body the international community had an obligation to assist oppressed South Africans in their struggle against apartheid.

"Sanctions were imposed as a powerful means of ensuring the end of the apartheid system. This result has not yet been achieved. It

He said the ANC was prepared to co-operate with the Government to reach a just and lasting negotiated political settlement, which should be based on the principle of one person, one vote in a democratic, non-racial and united South Africa.

Dr Beyers Naude, who attended Mr Mandela's address, warned yesterday easing sanctions would be dangerous and should not be

African Nation
Nelson Mand
waves from c
tov

Economists warn on unemployment

610am 15/6/90

335

PRETORIA — The number of unemployed and underemployed would reach a historic high level this year, economists warned yesterday.

According to the Central Statistical Service (CSS), black unemployment increased 0,3% to 11% in March — compared with February — to a total of 750 000.

CSS estimates the number of black workers at 6,1-million: an increase of 10 000 compared with February.

The unemployment rate in the cities is estimated at 14,9%, in towns at 8,3% and in non-urban areas at 8,6%.

Government has been called on to reactivate and intensify recent efforts to give basic training to unemployed people and to create jobs through launching public works schemes.

Stellenbosch Economic Research bureau Chief Ockie Stuart said a limping economy and increasing numbers of new workers would obviously aggravate an already serious problem.

It had been estimated that the number of unemployed and under-employed workers would top 3-million. The total was likely to escalate to a point higher than the distressing levels of 1985-1986.

DP finance spokesman Harry Schwartz agreed. The population was increasing steadily against a background of an economy at a virtual standstill.

Estimates were that more than 300 000 new workers came into the labour market this year. Few would find permanent employment.

Another factor inhibiting growth and intensifying the unemployment problem was the lack of business and consumer confidence. Government would have to reactivate its efforts to create employment, said

GERALD REILLY

Schwarz.

Director and chief economist of Econometrix Azar Jammine said the 3,7% growth in 1988 and the 2% last year were enough to prevent the unemployment rate from rising.

However, since the beginning of this year growth had been virtually negative and unemployment numbers had started to climb. The trend was likely to continue for the rest of the year.

Also distressing was that literally hundreds of thousands of workers did not qualify for unemployment benefits.

Meanwhile, Unemployment Insurance Fund sources said the fund's reserves were expected to exceed a record R1bn next month.

The fund's monthly income exceeds payouts by at least R20m.

Survey

Payouts were averaging about R50m a month. Beneficiary numbers varied between 120 000 and 150 000 a month. New applicants for benefits averaged about 45 000 a month.

Our Port Elizabeth correspondent reports that, according to a Vista University survey, about 47,47% of the black population old enough to work are without employment in the Port Elizabeth-Uitenhage metropolitan area.

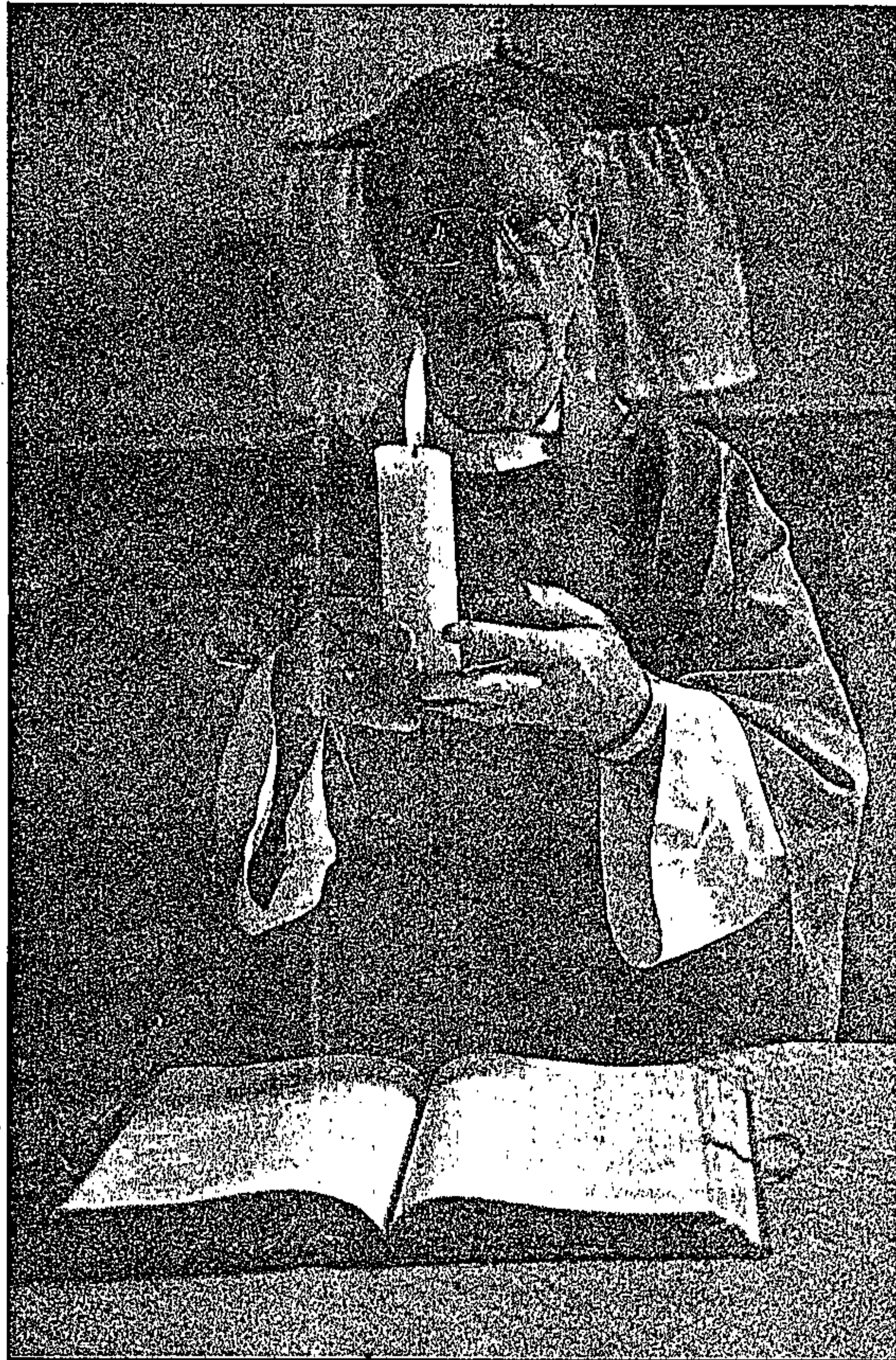
This implied that "112 700 black people in the area were unemployed on June 1, 1989". However, this figure was only 16% of the total population.

The survey said 53% of the unemployed had school qualifications of at least Standard 6, up to matric.

Table 1: S.A. Inflation rate

Tables

8 000 gold mine jobs on the line



UNITY PRAYER: Father Eamon O'Reilly's prayer is that today, June 16, be used as a day of unity. A commemoration will be held at Regina Mundi today. ● Photograph: Herbert Mabuza.

Low price may force cutbacks, warns Anglo

SVEN LUNSCHÉ

ANOTHER wave of widespread retrenchments at South Africa's gold mines is looming as the gold price shows little signs of recovering from this week's four-year low.

Adding to the gloom of recent layoffs, Anglo American announced yesterday that up to 8 000 employees could lose their jobs at the world's biggest mining complex, Freegold, if gold failed to rebound from its current levels.

Gold was fixed yesterday afternoon in London at \$346.90, slightly up from Thursday's close of \$345.80.

The managing director of Anglo American's gold and uranium division, Lionel Hewitt, said about 7 800 workers faced retrenchment as Freegold curtailed operations at its South Region.

Discussions invited

"At current gold prices and operating costs, certain mining areas were now incapable of sustaining mining operations at their present levels, and steps will be taken to curtail these operations over the next nine months," Mr Hewitt said.

He added that management had invited discussions with representative bodies of employees who would be affected by the curtailment of these operations.

Mr Hewitt said that operations at other Anglo American mines could also be affected.

"Vaal Reefs No 6 and No 7 shafts will be curtailed, together with underground operations at Afrikaner Leases, but this would not necessarily result in loss of employment," he said, adding that where possible, employees would be re-deployed within other shafts at Vaal Reefs.

The entry of Freegold on to the list of gold mines operating at a loss at the current gold price has alarmed the industry, already battered by retrenchments this year.

Chamber of Mines figures released this week show that 25 400 people were retrenched in the first three months of this year.

Lay-offs have accelerated since then, and last week marginal producers Stilfontein and Lorraine announced the retrenchment of 1 100 people.

In response to the slump, the mining industry has called on the Government to urgently examine a strategy to aid the beleaguered mines.

A report on the Government's strategy towards marginal mines, however, will only be released for public comment early next month, Deputy Finance Minister Dr Org Marais has said.

TV fees set to rise to R96 a year

CHRIS MOERDYK

TELEVISION licence fees are soon to be increased to R96 a year after Government approval of the SABC's application. It is believed that the Cabinet took the decision on Wednesday and that an official announcement is due this

Parents defy DET's order to leave

EIGHT Soweto parents on hunger strike at the Johannesburg offices of the Department of Education and Training (DET) yesterday defied an order from the Minister of Education and Development Aid, Stoffel van der Merwe, to leave the building.

The eight, members of the Soweto Education Coordination Committee, occupied the building on Monday after talks between themselves and DET officials broke down. They said they would not leave until each Soweto pupil was provided with a text book.

At 12.15 pm yesterday, Mr Peet Struwig, director of the DET's Johannesburg region, delivered notices to

the parents' delegation ordering them to vacate the building within an hour.

"Your continued presence in the building is unlawful, notwithstanding your motives for such conduct," said the letters, which were signed by the State Attorney, Mr J F Zwiigelaar.

Mr van der Merwe warned the delegation in the letters that if they did not comply with the order, he would make an urgent Supreme Court application to

● TO PAGE 2.

JOVIAL RANTAO

Star 16/6/90

180 000 miners may lose their jobs

By PATRICK MAFAFO

ONE hundred and eighty thousand workers employed at 17 low-profit gold mines may lose their jobs if the price of gold continues to fall.

The Chamber of Mines, which released these startling figures to *City Press*, said the mines are on the Reef and in the Free State.

They are a source of income to many others besides mine workers.

Closing the marginally profitable mines will result in a lot of suffering as these workers cannot easily be absorbed into other industries.

External affairs general manager for the Chamber of Mines Johan Liebenberg said the rand price of gold was less than production costs.

Peter Bunkell of the Chamber said at the price of R32 000 a kilo in 1989, seven mines were operating at a loss. Taking into account inflation of 15 percent, 17 mines would now be producing at a loss.

Anglo American could lay off nearly 8 000 employees at Freegold's South Region.

Gold and Uranium Division managing director Lionel Hewitt said at current gold prices and operating costs, certain mines could not sustain certain operations which would be stopped over the next nine months.

He added that management had invited discussions with affected worker representatives. "At Freegold South Region this planned curtailment is likely to involve the reduction of 7 800 employees."

At the time of going to Press, the closing price of gold stood at 347 dollars - which translates to about R29 000 a kilo.

Gold represents just below 40 percent of the country's exports, and the gold price is controlled by supply and demand. Higher sales lower the price.

Factors which led to the price slide are:

■ Demand for jewellery is slack and retail sales in major markets, such as the US, have slumped;

■ Soviet Union sales are flooding the market. It is estimated over 300 tons of gold have been swapped for foreign loans;

■ The Middle East has entered the market because of the weakening oil price; and

■ Relations between the East and West have improved.

Gold analysts are talking of the price sliding to lows of 320 dollars.

The London-based *Metal Bulletin* attributes the price slide through the psychological 360-dollar mark to rumours that Japanese banks have been approached by the Soviet Union to use gold as collateral on loans totalling

255 million dollars to cover external debts.

Dark days are ahead for miners because other big industries which would have absorbed them also face a bleak future. The unemployment figure already stands at six million.

With economists estimating economic growth as low as one percent, the more than 200 000 people who flood the job market each year have bleak prospects.

Economists point out that growth of five percent a year is needed to meet the demands of these future job seekers.

World-famous CRAVEN

MENTHOL FRESH T

ERPM workforce down to 4 150

By Ann Crotty

335

ERPM now has a labour force of 4 150 after the retrenchment of 6 000 workers. This retrenchment was deemed one of the conditions necessary to getting the mine back into profit.

This was revealed yesterday by the State Mining Engineer, S Du Plessis, at the first day of the Melamet Commission of Inquiry into the viability of providing additional funding to save ERPM.

Mr du Plessis was setting out on what basis the Government had been motivated to providing

assistance to ERPM between 1977 and 1989.

He said in terms of a plan presented by ERPM to the Department of Mines (ahead of this month's decision to appoint a commission of inquiry), ERPM was to raise R40 million through the sale of assets.

The main items under consideration were the mine dumps. Mr Du Plessis said tenders for these dumps had already closed.

He said the Government had not yet received ERPM's audited financial statements for the year to December 1989.

Dismissed workers set up squattercamp

DISMISSED workers of Barlow's Manufacturing Company have set up a squatter camp at the main gate of the Barlow Rand head office at Barlow Park, Sandton.

A Press statement from the National Union of Metalworkers yesterday said the workers were protesting about the dismissal of more than 400 workers by the company last year.

"The dispute arose

from the refusal of the company to provide a canteen for black workers. The request for a canteen had been discussed between Barlow's management and the workers for several years," said the statement.

"During the defiance campaign in 1989,

workers decided to defy by entering the staff canteen, and were disciplined as a result, giving rise to a strike."

Dismissed

Barlows responded by saying that on September 28, 1989, following a series of "unprocedural and illegal work stoppages", members of Numsa were dismissed.

"Union shop stewards informed management that the two stoppages which occurred on September 28, 1989, were organised to back a demand by union members that the company should not take disciplinary steps against union members who had invaded the company manger's office, and who also had assaulted a company manager," Mr Derrick Williams of Barlows Appliance Company said in a statement. - Sapa.

Sowetan 21/6/90

Nyabi said the union would meet management

[illegible]

'Govt has goal to bring down inflation to 10%'

Cap 741 22/6/80
THE government would have succeeded in its goal if the inflation rate was brought under 10% by the end of next year, the Minister of Administration and Economic Co-ordination, Dr Wim de Villiers, said yesterday.

He told a special session of the President's Council that this was his personal view, but that there was a very strong determination in the government to make the fight against inflation a success.

It was only through this that jobs could be created for South Africa's fast-growing population.

Circumstances in South Africa were highly favourable for combating inflation. The roll-over debt had been dealt with, and there was lessened sanctions pressure.

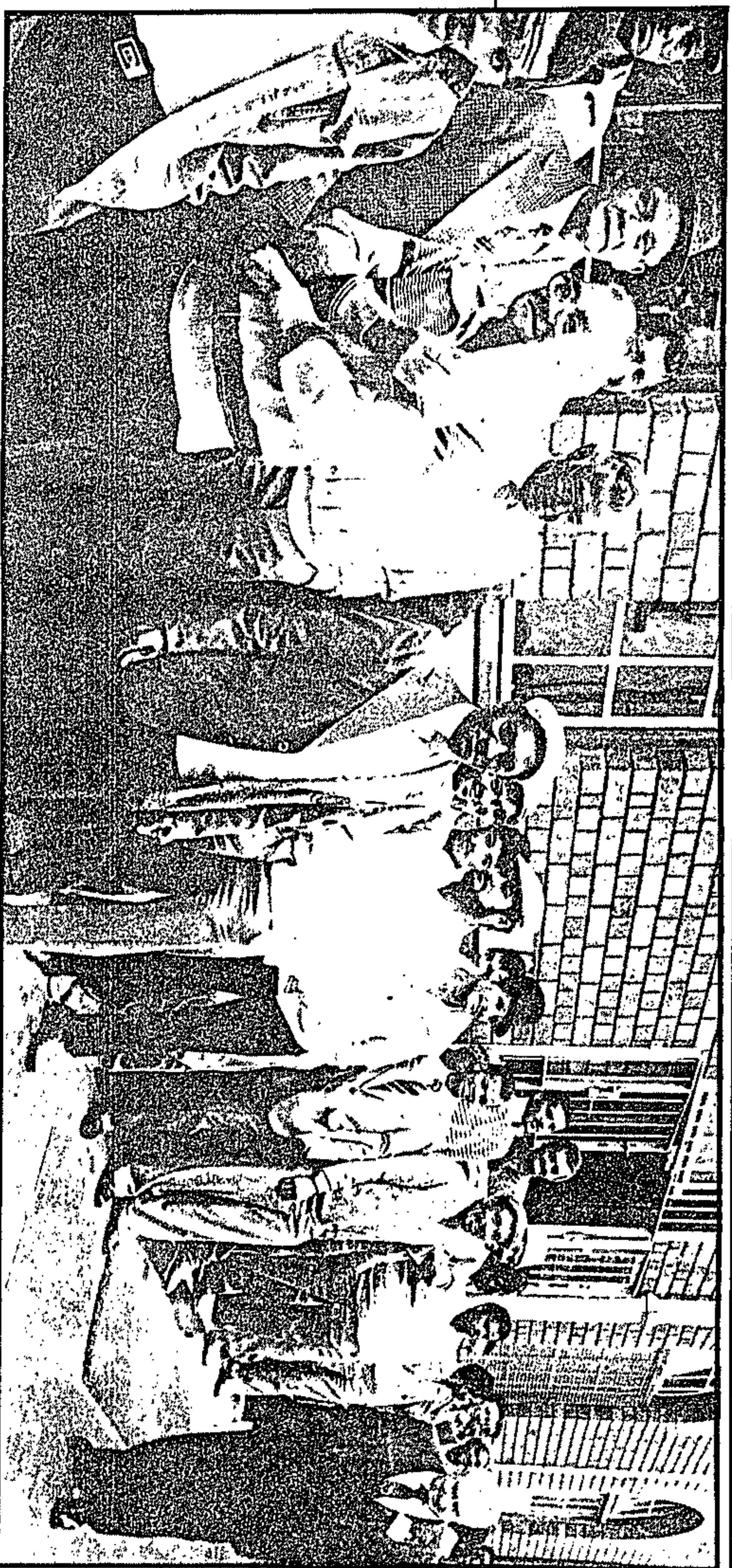
Asked by Mr Peter Marais (LP) whether the fight against inflation might not lead to a higher unemployment rate, he said that if one did not break inflation, the country would not be in a position to compete in international markets.

Combating inflation by monetary measures would lead to unemployment.

"But this is a short-term effect. The longer-term stability that results will encourage employment."

He also said the government was updating its economic development programme "right now".

"It will take some time to make it available, but work is going on at high speed so we can start making it available for people to know where they are going," Dr De Villiers said. — Sapa



Poverty threatens to 'blow SA apart'

W/le ARGUS 23/6/90

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Eastern Europe faces hordes of jobless

THE spectre of unemployment is stalking Eastern Europe as the region's fledgling democracies make the painful economic

In Eastern Europe, the right to work was guaranteed under the communist

A massive wave of poverty-stricken humanity could swamp cities and towns unless the government, black leaders and trade unions accept that steps must be taken immediately to improve the lot of the country's unemployed millions. The pernicious legacy of apartheid is a mass of angry, unemployed, uneducated, unhoused people, writes Weekend Argus Reporter GRAHAM LIZAMORE.

NO matter how ingenious the creators of the new South Africa might be, the future of the country will depend on how the new

Sanctions have become the only viable internationally acceptable strategy the ANC can use to lever the government towards a one-man one-vote dispensation. It is a Catch 22 situation. The ANC has to

Eastern Europe faces hordes of jobless

THE spectre of unemployment is stalking Eastern Europe as the region's fledgling democracies make the painful economic transition from communism to capitalism.

Dole queues seem set to become part of everyday life in those countries making a rapid switch to a market economy.

Former Hungarian communist leader Janos Kadar, ousted in 1988, was once asked by Western visitors he was escorting around an industrial plant, how many people worked there.

"About half of them," Mr Kadar replied, in a quip that illustrates the size of the problem facing the region's newly elected governments.

In East Germany, preparing for monetary union with West Germany, unemployment rocketed more than 50 percent last month to 160 000.

Economists predict much worse could come after East Berlin abandons its almost worthless currency and introduces the West German mark on July 1.

The chairman of the East German parliament's economics committee, Jochen Steinecke, has said up to 700 000 people could be unemployed for up to three years. Other government members say more than a million of the country's 16 million population could be thrown out of work.

Poland, which introduced a radical austerity programme on January 1 to switch to capitalism, had 443 222 people — 3.3 percent of the workforce — unemployed in May.

Deputy Labour Minister Jerzy Szreter says that figure could treble by December.

Czechoslovak forecasts predict that up to 100 000 people could be unemployed by the end of the year. Many of them young people.

Czechoslovakia, like other former East-bloc countries, is setting up a network of labour exchanges to help the unemployed find work.

Unemployment benefits are being introduced in several countries but the new governments warn that a change of attitude among the workforce is necessary for a successful transition to a market economy.

Polish Finance Minister Leszek Balcerowicz said earlier this month that some companies were passive and had not learnt to win new customers by producing better and cheaper goods.

"The improvement in living stan-

In Eastern Europe, the right to work was guaranteed under the communist regimes swept aside in the last year. Joblessness, portrayed by the region's former rulers as an evil of capitalism, has become a cruel reality. **RICHARD WILLIAMS** reports from Vienna.

dards will be felt above all by employees who are able to act effectively in different conditions and those which take the risk of individual economic activity," the Western-educated minister said.

One Western official in East Germany noted that many people there had been cocooned from Western-style competition for jobs.

"These people have never competed for a job," he said. "They've got five or six doing the job of one."

Only Rumania and Bulgaria, where former communists remain in power, appear to buck the trend towards higher unemployment.

ECONOMIC analysts say Rumanian President Ion Iliescu, whose National Salvation Front won a sweeping victory in a general election last May, will encourage private enterprise but not policies which could lead to a big rise in joblessness.

Mr Iliescu himself has said: "The market economy does not only have virtues. It leads to polarisation of wealth and unemployment."

Bulgaria, in stark contrast to the gloomy predictions for its northern neighbours, could avoid the threat of large-scale unemployment, some economists say.

Deputy Prime Minister Nora Ananieva has warned that the restructuring of the Bulgarian economy and the privatisation of some factories and companies could increase the number of unemployed.

Some 20 000 Bulgarians are out of work but economists say there is a shortage of labour in many sectors of the economy, such as agriculture.

They note that 350 000 people of pensionable age are still working and vacancies will occur when more than 17 000 Vietnamese contract workers brought in by former hard-line leader Todor Zhivkov return home over the next two years. — Sapa-Reuter.

A massive wave of poverty-stricken humanity could swamp cities and towns unless the government, black leaders and trade unions accept that steps must be taken immediately to improve the lot of the country's unemployed millions. The pernicious legacy of apartheid is a mass of angry, unemployed, uneducated, unhoused people, writes Weekend Argus Reporter **GRAHAM LIZAMORE**.

NO matter how ingenious the creators of the new South Africa might be, the future of the country will depend on how the new leaders are able to pacify the millions of young people of the "lost generation" for whom poverty, disease and crime have become a way of life.

It is a generation that grew up rejecting education in favour of the revolutionary law of the townships where stonings and necklacing were as much part of their curriculum as maths and English were to white schoolchildren.

Added to this group is the teeming river of people flowing to South Africa from the bankrupt homelands — further monuments to apartheid.

Professor Francis Wilson, head of the South African Labour and Development Research Unit at UCT, who headed the Carnegie inquiry into poverty in South Africa, has warned that poverty had to be dealt with to prevent the country "blowing apart".

He estimated unemployment at between 25 and 33 percent of the population — almost ten million people.

Recently Dr C F Garbers, president of the CSIR, estimated unemployment at "around 38 percent."

In the greater Cape Town area alone, the UCT Urban Problems Research Unit estimated that more than 50 000 new formal sector jobs would have to be found annually. A report by the Cape Town City Council estimated that about 270 000 workers were unemployed in the metropolitan area.

The President of the Cape Town Chamber of Commerce, Mr Gerry Ferry, warned the government to shift the focus of economic development away from decentralisation towards the major urban areas, to assimilate the vast number of "new urbanites".

BUT as the Nationalist government prepares for negotiations with the vengeless to create a constitution that will embrace the hopes and desires of all South Africans, so the need for a revitalised economy has become a matter of urgency.

Economic growth is not keeping up with population growth. While last year economic growth was about two percent, it has fallen this year to about half a percent.

South Africa's population of about 38 million will at the present growth rate of about 2.7 percent a year increase to 50 million in ten years' time and to a staggering 60 million in twenty years' time.

Economic growth has become a matter of life and death for this country and its people. Standing in the way of any real growth in the short term, economists and industrialists have identified sanctions, high interest rates, political instability and the growing power of the trade unions.

Sanctions have become the only viable internationally acceptable strategy the ANC can use to lever the government towards a one-man one-vote dispensation.

It is a Catch 22 situation. The ANC has to maintain pressure on the government but at the same time it knows the longer sanctions remain and foreign investment is kept from the country, the greater its risk of inheriting a permanently crippled economy unable to employ, let alone create employment.

Mr Gerry Bezuidenhout of the SA Chamber of Business in Johannesburg said it was vital that money be pumped into education, health care and job creation.

He said more de-regulation was required to boost the small business sector and formal business should look to realising the full potential of South Africa's minerals by exporting finished products.

Service industries would spin off from this and create employment opportunities.

He warned that it was vital for the trade unions to be part of any negotiations for a new constitution.

DR Charles Martin of the Building Industries Federation of South Africa advised that the government should again build houses for the low income groups.

He said this would help to re-employ workers in the building industry and create housing builders to move into building homes for the lower income groups.

He said interest rates were too high and profit margins too low and there was an inherent danger of working in an unstable political environment, for example, a township.

"This is now the time for the government to meet two of its biggest challenges — housing and unemployment," he said.

A black economist predicted a bleak economic future for South Africa unless Mr Mandela and President De Klerk could "get their act together". He said the two leaders should embark on a policy of compromise and that sanctions should be lifted on a reward basis.

The economist, who asked not to be named, said an economic growth rate of at least 2.3 percent was necessary. However because sanctions were being used as a political strategy to bring about change, this growth could not be met.

"If sanctions are removed there will be an inflow of capital and creation of jobs. But at the moment the situation is very bleak because political instability is incompatible with job creation." He added that he doubted whether people of different political persuasions in the townships would be able to tolerate one another.

The economist said the objective was to uproot poverty and at this stage neither the ANC, Cosatu nor the government could say how they would handle this "very urgent" problem.

Pick 'n Pay chairman Mr Raymond Ackerman said he believed the challenge lay now with all South Africans to come up with new ideas outside rigid capitalist and traditional socialist ideas.

Municipal workers fired

THE 700 Verwoerdburg municipal workers on strike since Wednesday have been dismissed. *Press* 24/6/90 Reapplication by dismissed workers would be considered, he said.

Verwoerdburg town clerk Boet van Straaten said the council and the South African Municipal Workers' Union had not been able to resolve a wage disagreement at a meeting on Thursday, and the workers had been given until Friday morning to return to work. They had not done so.

The union could not be reached for comment.

Van Straaten said the municipality provided essential services and the

strike was illegal in terms of South Africa's labour laws.

Reapplication by dismissed workers would be considered, he said.

Meanwhile, Sandton municipal workers who staged a protest outside the Sandton Civic Centre on Thursday have returned to work and wage negotiations are underway, acting town clerk Tony Hugo said on Friday.

National Union of Public Service Workers shop steward Robert Sanyane said on Thursday the Union was hoping for a R25 hike on the minimum wage of R650 a month which the council had already agreed to. — Sapa

Interdict against
fired workers

SUSAN RUSSELL

A SUPREME Court judge has granted an interim interdict preventing about 300 dismissed Abertech Industry workers from harassing non-strikers and casual employees at the Germiston factory.

Abertech Industries, trading as National Spring, brought an urgent application before Mr. Justice R van Schalkwyk claiming the workers, dismissed last week, were committing unlawful acts against employees. (335)

The judge granted an interim interdict against the workers, restraining them from assaulting, intimidating, harassing or interfering with employees and business. B 10 am 28/6/90

Dismissed workers, most of whom are members of the National Union of Metal Workers of SA, were restrained from being within 500m of the perimeter of the company's premises.

No order was sought against the union and the application was not opposed. Dismissed workers were told to show cause on July 17 why the interim order should not be made final.

In an affidavit National Spring manufacturing manager Alan Eric Hook said most of the weekly paid workers were fired after taking part in an unlawful strike.

P Pauw instructed by Deneys Reitz appeared for National Spring.

LION		10 BOX	MATCHES	0.48	0.56	TOTAL	SUBS	TRANSPORT	GRAND TOTAL
VOGUE		20'S	VOGUE	1.31	1.50				
RANSOM		20'S	RANSOM	1.31	1.50				
LEXINGTON		20'S	LEXINGTON	1.30	1.47				
ROTHMANS SPECIAL MILD		20'S	ROTHMANS MILD	1.31	1.50				
ROTHMANS		20'S	ROTHMANS	1.31	1.50				

MEMBER SIGN.

REP. SIGN.

Sleep-in at Epping plant

ABOUT 150 workers dismissed from an Epping plastics factory this week are sleeping in at the company premises. ¹⁵²

The workers, who are members of the Chemical Workers' Industrial Union (CWIU), downed tools at the Kohler Xactics plastics factory last Friday to protest against the retrenchment of 35 workers earlier in the week. ^{29/6-4/7/90}

Company manager Mr Jeff Fish said the company had proceeded with "redundancies" after a month of talks with the CWIU failed to make headway. ³³⁵

Fish confirmed that 145 workers were dismissed on Monday after they ignored three company ultimatums to return to their jobs.

NUM deplores hospital retrenchments

By Brendan Templeton

The decision by the Chamber of Mines to retrench about 65 workers from its specialist Rand Mutual Hospital raised questions about the organisation's attitude to miners' safety, the National Union of Mineworkers (NUM) said on Monday.

Union spokesman Jerry Majatladi said the reasons given by the chamber for the retrenchments were "a gross distortion of facts".

The chamber should be

building more hospitals like the Rand Mutual rather than cutting down on staff in such a strategic facility, Mr Majatladi said.

Regretted

The hospital is a specialist referral hospital that caters for black employees in the mining industry.

The hospital's general manager, K C Mourant, said the retrenchments were regretted, but were necessitated by the shrinking patient popula-

tion from the mines from a daily average of 540 in 1986 to 300.

Mr Majatladi, however, accused the chamber of deliberately keeping seriously injured miners at the regional mine hospitals to save costs.

He described the regional hospitals as "terrible" and denied that they rendered high quality service.

"If there is any industry which needs efficient medical facilities, it's the mining industry," he said.

335 4/7/90

Union challenges Blackchain 335

THE Federal Council of Retail and Allied Workers is to challenge the dismissal of its 84 members by Blackchain in the Industrial Court on September 20. 335

The 84 workers were dismissed in September last year after a take-over by new management. They were locked out and told to fetch their pay and other benefits later, according to the union.

A Fedcrow spokesman has requested the dismissed Blackchain employees to report to the union's offices as soon as possible. 80 welen 4/7/10

500 jobs at OK on the line as strike continues

DANIEL FELDMAN

OK BAZAARS would retrench at least 500 workers in the PWV area as "a direct result of the SA Commercial Catering and Allied Workers Union (Saccawu) action" if the strike was not resolved soon, industry and union sources said yesterday.

The troubled retail giant also announced plans to accelerate its programme of closing marginally profitable stores and said three more stores were scheduled for "imminent closure".

OK spokesman Gavin Brown said management would formally advise Saccawu by tomorrow on the specifics of the proposed retrenchments.

He maintained the company was still open to discussions.

"However, the number of retrenchments could quite possibly rise if there is not an early settlement of the strike," said Brown. "Before the strike began OK pointed out the possibility of retrenchments, so this should not be seen as an opportunity to break the strike, but as a quite natural occurrence."

Saccawu national organiser Jeremy Daphne confirmed the union had been told informally of the retrenchment plan, but said it was unfortunate the company proposed it "at a point when we are both trying to find creative solutions to our dispute".

He stressed: "To date store closures have not involved any job loss. Once the union has received full information it will carry out consultations with membership to formulate a position."

OK disclosed the retrenchment plan yes-

□ To Page 2

OK jobs

terday at a meeting with Saccawu representatives to discuss store closures. Since January, OK has closed four stores, and two others — one in Pretoria and one in Durban — are to close this month.

Brown said 18 stores were targeted for closure at the beginning of the year because they were no longer profitable, were older than the other stores, or the demographics affecting the stores' customers had changed. After the three stores announced yesterday had closed, the remaining nine closures "would proceed with all due haste".

OK and Saccawu representatives will meet tomorrow to resume wage negotia-

tions adjourned last Thursday. The strike involves about 7 000 workers at 131 stores.

In other disputes involving Saccawu members, strike balloting has not yet been completed among Checkers employees, though Daphne said "results so far indicate an overwhelming majority in favour of industrial action". It was expected the ballot would be completed today.

A final meeting will be held today to resolve the dispute between Saccawu and Edgars, which involves about 3 000 workers. Mediation is also under way between Saccawu and Metro Cash 'n Carry and Frasers Mine stores and warehouses, involving about 6 000 people.

□ From Page 1

No return, no 'backdoor retrenchment'



INJURED WORKER:
Desmond Solomons

^{South 517-117190}
THE National Union of Metalworkers of South Africa (Numsa) is locked in discussions with management at a strife-torn factory in Atlantis where about 21 workers were injured by police.

The talks come after thousands of workers downed tools in Atlantis Industria to protest against the violence which followed a wildcat strike by about 400 workers at the Grapnel exhaust and towbar sections.

At a meeting between the two sides last week, the company agreed to request

the SA Police to withdraw from the area in return for an undertaking from workers that they would not "re-occupy" the factory.

The company also agreed to change its negotiator but the two parties are still in conflict over wages.

The workers have lowered their demand from a R2-an-hour across-the-board increase to R1,80.

The company is holding out for an increase of 16,5 percent for workers earning less than R1 000 and 14,15 percent for workers who earn more than R1 000.

A Numsa spokesperson

said the workers, who have been on strike for more than two weeks, are refusing to return to their jobs until the company raises its offer.

A further meeting is scheduled to take place this week.

Meanwhile, talks are continuing between the Chemical Workers' Industrial Union (CWIU) and management at an Epping plastics factory which last week dismissed 145 union members after a wildcat strike.

A spokesperson for the CWIU said the union had rejected an offer by management at the Kohler Xactics factory to take back

fewer than half of those dismissed. (335)

He said the union viewed this as an attempt at "retrenchment through the back door".

The two parties are scheduled to meet later this week.

GFSA cuts back on capex and labour

By Sven Lünsche

Gold Fields of South Africa (GFSA) is to cut back its labour force by five percent and its capex by R100 million in the current financial year.

This follows a 23 percent slump in working profits to R261,16 million in the second quarter from R338,46 million in the previous quarter.

The results were adversely affected by a five percent rise in working costs per ton milled and a decline in the rand gold price to R31 437 a kg (R33 678/kg).

Announcing the rationalisation programme, Mike Tagg, general manager of the gold division, said the cutbacks in staff complement of about 4 500 were necessary to ensure the short-term survival of the mines.

Also planned is a 10 to 15 percent cut-back on last year's R800 million capi-

tal expenditure, although Mr Tagg said that mill throughput at the mines would not be affected.

In the June quarter the total higher mill throughput, a constant yield of 7,2 g/t and resulting higher gold production of 26 560 kg (R26 278 kg) was offset by a lower gold price which reduced gold revenue by R50 million to R836 million.

Working costs at R575 million were five percent higher than the previous quarter's R547,8 million, but Mr Tagg said increases to union men and officials were paid during the quarter.

A decrease in tax and state's share of profit from R132,9 million to R36 million, as a result of higher capital expenditures of R238,5 million (R158,5 million), resulted in an after-tax profit of R272 million compared with R253,3 million in the previous quarter.

At its Driefontein mine GFSA is planning to close some shafts and shift operations to higher grade areas, which should raise the yield from its June quarter level of 9,4 g/t closer to the 10 g/t level.

Taxed profits at Driefontein rose from R114,56 million to R133,47 million, boosted by lower tax payments of R61,87 million (R120,44 million) and despite a decline in net mining revenue to R182 million (R214,6 million).

Kloof received a tax credit of R27,8 million during the quarter, which lifted taxed earnings to R115,67 million (R95,26 million).

Mr Tagg said production at the Leedmoor project would now only start in the December quarter. The initial grade was estimated at 10 g/t but as production reached 100 000 tons a month in about two years the grade would fall to levels

of about 7 g/t.

GFSA indicated that further staff reductions of about 350 workers each and capital expenditure cutbacks were planned at Libanon and Doornfontein, which reported losses of R5,59 million and R2,45 million respectively in the June quarter.

A more vigorous retrenchment package was planned at Venterspost, where up to 1 000 of the 8 500 workers could be laid off.

The mine reported a taxed loss of R753 000 (profit of R4,01 million) in the June quarter.

Closing down operations at Vlakfontein would be completed within the next three months at a cost of about R7 million, a profit of R15 million could be expected from the sale of land and other capital equipment.

OK strikers may be fired - union

Sowetan 6/7/90

335

THERE is a strong possibility of retrenchments at OK Bazaars as the workers' strike enters its 31st day, the company confirmed yesterday.

SA Commercial, Catering and Allied Worker Union spokesman Mr Jeremy Daphne revealed on Wednesday the OK had threatened workers with retrenchment if the strike did not end soon.

"The union's characterisation of the possible retrenchment of staff in the PWV area as a threat is an unfortunate interpretation of a reality facing the company," OK spokesman Mr Keith Hortshorne said in a statement yesterday.

Reaction

"The retrenchments are no more than a natural consequence of the situation facing the company in the PWV area where the strike is at its most serious."

He said the retrenchments must be seen as a reaction by the company to the effects of the strikers own activities.

The union had been advised of the possibility of retrenchments before the strike began.

The company suggested that in order to make the process flexible and to ensure job security as far as possible, lay-offs were an "appropriate alternative".

Daphne also said

there was an overwhelming vote in favour of a strike so far in the Checkers strike ballot.

Although the voting was due to be completed by 1pm yesterday, Daphne said it was "fairly academic".

He said if Saccawu chose to take legal action at this stage, they could do so.

* Food and Allied

Workers Union members at Mama's Pies were locked out yesterday, the union claimed.

A spokesman at Mama's Pies confirmed the incident but said the issue had been "amicably" resolved.

The union said seven drivers had been dismissed last Thursday for refusing to deliver pies to OK Bazaars. - Sapa

Govt still waiting for ANC report - Viljoen

THE Government was still waiting for an ANC's official response to the report of their joint working group, the Minister of Constitutional Development, Dr Gerrit Viljoen, said this week.

Viljoen was reacting to a report from London in which a senior spokesman for the ANC, Miss Frene Finwala, alleged that the ANC had proposed several amendments to the report, but had received no comment from the Government. *Sowetan 6/7/90*

He said Mr Nelson Mandela had told the State President before leaving for overseas that the ANC would not react to the report before the 10th of this month. He said in the meantime there had been exchanges between representatives of the Government and the ANC serving in the joint working group. - Sapa

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Chamber's offer accepted by NUM

By Sven Lünsche and
Brendan Templeton

The gold mining industry was yesterday thrown a lifeline by the National Union of Mineworkers (NUM), which last night accepted the Chamber of Mines' final offer of wage and salary increases ranging from 14,5 to 17 percent at affiliated gold mines.

But the NUM's assistant general secretary, Marcel Golding,

said the union had declared a dispute at coal mines and would be holding a strike ballot among its 35 000 affected members.

The wave of retrenchments, however, is continuing at the gold mines with Gold Fields of South Africa (GFSA) announcing a planned lay-off of up to 4 500 workers at its seven mines over the next 12 months.

Industry analysts believe that the NUM accepted the chamber's wage offer at gold mines in order to avoid further retrenchments if the gold price fails to recover.

Some mining groups have indicated that an increase above the final offer would have inevitably led to further cut-backs in staff complements.

However, Mr Golding said the NUM rejected the proposal that a joint working group be established to discuss hours of work and that the union was sticking to its demand of 98 hours per fortnight.

Coal mines

The NUM accepted a number of other proposals including a 15 percent increase in holiday allowances, the establishment of a committee with regards to skills development and education, and GFSA becoming party to an agreement on miners' accident leave and income security.

Mr Golding said that coal mines were making a large profit and there was no reason why coal miners, who earned less than gold miners, could not be given the NUM's 20 percent increase demand.

The move by GFSA to lay off about 5 percent of its 80 000 gold mining workforce is the latest in a series of cutbacks by the industry, which has been hard hit by the falling gold price and increasing costs.

Survival

Announcing the GFSA cutbacks, the general manager of the gold division, Mike Tagg, said management was trimming the workforce by more than was desirable, "but it is a question of short-term survival of the mines".

Of the 4 500 planned retrenchments, 350 are skilled workers, who would probably be taken from two new mining projects at Leeudoorn, at the Kloof gold mine, and the Northam platinum mine, he said.

Mr Tagg added that the cutbacks were part of a provisional budget for the financial year to end-June 1992, and once a final decision had been made the unions would be consulted.

Hardest hit by the move will be the Venterspost gold mine near Potchefstroom, where 1 000 of the 8 500 workforce will be retrenched.

At Doornfontein, Libanon and Driefontein, up to 300 unskilled and 50 skilled workers could lose their jobs, Mr Tagg said, adding that retrenchments on a smaller scale were planned at Deelkraal.

About 200 workers will also be laid off at the Vlakfontein gold mine, which is closing over the next few months.

Unemployment rate alarming

By PATRICK MAFAFO

Black unemployment is reaching an alarmingly high rate.

Over one million black adults aged 16 and over in metropolitan areas are unemployed and looking for full-time work.

A further 55 000 are unemployed and looking for part-time work. 65 000 are in part-time work but would rather have a full-time job.

In contrast, only 86 000 white urban adults are unemployed and looking for full-time work. A further 89 000 would

like part-time work.

These findings are based on Market Research Africa's Employment Index, which monitors trends among metropolitan blacks and urban whites.

As many as 400 000 blacks in the 16-24 age group and 340 000, in the 25-34 group are out of work and looking for full-time jobs.

Among whites who have jobs, one in every three is now working for the government and 43 percent of Afrikaans-speaking people are employed by the government, compared to only 20 percent English speakers.

sta 11/12/90 (335)

NEWS

'200 000 jobs a year once sanctions go'

South Africa will be able to create more than 200 000 new jobs a year once the relaxation of the sanctions blockade begins in earnest.

This estimate was given yesterday by Anglo American Corporation chairman Julian Ogilvie Thompson in an annual review of the country's economic outlook.

Mr Ogilvie Thompson believes the prospect of solving the chronic and serious unemployment problem has drawn closer as a result of international response to President de Klerk's reform initiatives.

He said the removal of sanctions and a resumed inflow of capital from overseas promised a tremendous boost to racial equality by ploughing billions of rands into the creation of new job opportunities and social investment programmes.

The chances of economic acceleration had been brought closer by the outcome of the recent European Community summit.

Trade and financial sanctions imposed from 1985 had compelled South Africa to hold the brakes on the economic tempo, bringing growth down to perhaps zero in 1990, to meet repayments on international debts equal to about R21 billion over the past four years.

"Simply stopping the haemorrhage — a prospect which the EC summit in Dublin has now brought closer — would enable us to raise the growth rate to about 3 percent a year," said the Anglo American chairman.

"With a resumption of trade credits and capital inflows on the earlier scale, we could raise it to between 4 and 5 percent.

Tremendous assistance

"That would add another R5 billion to R10 billion a year to our total resources and would be of tremendous assistance in correcting inequality, both directly by creating new employment and in a redistributive sense by augmenting State resources for social investment.

"Five percent growth, a modest enough target in normal circumstances, could create around 200 000 new jobs a year in the formal sector and at the same time greatly benefit employment in the informal sector," he added.

"The biggest single impediment to growth in South Africa until recently was the State ... by introducing policies that, in the supposed interest of the white electorate, discriminated racially in both economic and political affairs.

"The R2 billion allocated in the Budget for social investment, through a trust independent of Government, represents an imaginative attempt to start redressing past inequities — one which deserves to elicit both private sector and overseas financial support.

"Nonetheless, the ultimate effectiveness of such initiatives depends on the growth of the economy as a whole.

"Once confidence in South Africa's political and economic stability is restored, long-term funds from the institutional and corporate sectors will flow to meet the new opportunities for productive investment as surely as night follows day," he said.

● Normalisation will see economy surge

Unemployment warning

By Julianne du Toit

335

12/7/90

Unemployment is probably the worst problem facing South Africa, an economist believes.

Estimates of the jobless figure ranged between 1 million and more than 6 million, Sanlam chief economist Johan Louw said this week.

The present downturn in the economy seemed worse than previously thought and job creation was less than half of what was needed, Mr Louw said.

The solution was to clarify political and economic uncertainty to attract foreign capital. This would push up the growth rate and create badly needed jobs.

The SA Chamber of Business speculated that about 3,5 million people could be unemployed.

"It is extremely difficult to guess, as there are very few benefits in registering as unemployed in South Africa," said Saco economist Keith Lockwood.

There were about 11 million economically active people in South Africa, he said. There were approximately 6 million jobs available in the formal sector and about 1 million in the commercial agricultural field.

This left about 3,5 million who could be unemployed or underemployed or else involved in the informal sector.

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Cash crisis at advice office

Staff Reporter

A CASH crisis may force the Western Cape Unemployment and Advice Office — which provides meals for 4 000 unemployed people — to close in the next four days.

Regional co-ordinator Mr Abduragiem Booth yesterday said the organisation gave advice, provided training, placed unemployed people and saw to the welfare of their families.

People can post donations to the Western Cape Unemployment and Advice Office (Fundraising number 08 800677 0006), 73 Third Street, Welcome Estate, or telephone Mrs G du Toit, chief case worker, at 637 2386.

BIDAY 16/7/90

Couriers may help out with postal delays

THEO RAWANA

A HUGE backlog in postal deliveries has forced the Post Office to look into the possibility of using private couriers in a bid to speed up deliveries.

Posts and Telecommunications spokesman Amanda Singleton said the probability of contracting couriers to transport mail was being investigated.

She said the Post Office would write out specifics for tenderers and couriers could tender.

• "The couriers will only transport mail from main post offices to depots — not do a door-to-door delivery operation," she said.

Sapa reports Western Cape deputy senior director of postal services Jurie Swart as saying courier contractors had helped to deliver to rural area depots for some time.

Referring to business complaints about outdated sorting equipment compounding delays, Swart said: "We believe we have an efficient mail-sorting system at Cape Town and technicians are in the process of further updating our equipment."

Postmaster-General Johan de Villiers said last month the Post Office was giving urgent attention to the problem of delays in mail deliveries.

Prohibited

An effort would be made to expand the in-house transport network and the transport facilities of couriers.

He said private couriers were not allowed to deliver mail. "Private couriers are prohibited from delivering direct mail to the public or mail from individuals to private houses.

Deputy chairman of Sun Courier's holding company Uniserv Barry Saxton said Post Office delivery problems could be solved within price ranges acceptable to the public.

He said his companies had the infrastructure for fast and efficient national delivery, including outlying areas and small towns.

The Post Office could be helped with major problems areas such as speed and reliability in transporting mail to post offices, especially those in outlying areas and also in minimising the sorting delays.

The SA Post and Telegraphs division announced on Friday that a priority mail service between Pretoria and East London was going to be put to the test for six months.

BUSINESS DAY, Monday, July 16 1990

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OK gives notice of 570 retrenchments

DANIEL FELDMAN

OK BAZAARS has issued retrenchment notices to 570 employees in the PWV area due to the effects of prolonged striking by SA Commercial Catering and Allied Workers' Union (Saccawu) members.

However, talks will resume this week between the union and OK, Checkers, and Southern Sun in an attempt to end industrial action.

OK spokesman Gavin Brown said wage negotiations with the union would continue on Thursday, but the retrenchments would go ahead as initially planned.

Affected workers were notified on Friday that their employment contracts would be terminated at the end of the month. Brown refused to comment on the nature of the talks, which have been held sporadically over the past two weeks.

Saccawu national organiser Jeremy Daphne denounced the retrenchments and said the company had undertaken at talks held last week to consider the union's demand to withdraw the notices.

As the strike entered its seventh week, Daphne said the union would take an improved management offer

to its members for consideration this week.

The union originally demanded a R160 across-the-board monthly increase, as well as an R800 minimum monthly wage, while OK offered service-related increases and a minimum wage of R710 a month after a year's service.

Mediation between the union and Checkers is scheduled to resume today. Saccawu has lowered its demand to a R150 across-the-board increase, and management has offered R138.

Talks between the union and Southern Sun continued throughout last Thursday night and into Friday. The outcome of the talks could not be established yesterday.

Daphne also said the union had written to Law and Order Minister Adriaan Vlok "in the light of ongoing police harassment". The letter stated that the arrests of picketers were not only without any justification in law, but constituted "a gross interference with workers' rights to picket".

Unless arrests were discontinued, the union would reserve its right to seek relief in the Supreme Court.

Nationalisation of mines must hit economy expert

DANIEL FELDMAN

NATIONALISATION of the mining industry will inevitably lead to a misallocation of resources, inefficiencies and the detriment of the economy, says Chamber of Mines senior economist David Kennedy.

In the latest edition of the chamber's newsletter, Kennedy said: "The risks involved in tampering with an industry that employs over 750 000 people and provides some 55% of the country's foreign exchange earnings must outweigh any perceived advantages."

Economic research showed there were no imperative economic or financial reasons for nationalisation, and any government already had the power and the necessary means to exercise fairly effective control without resorting to public ownership, he said.

In addition, the experiences of Eastern Europe, the cost of nationalisation in Western Europe and the failure of nationalisation in Third World countries like Zambia and Burma offered proof that nationali-

sation did not work.

Modern economic studies had shown empirically that State-controlled industries were almost certain to be less efficient than privately-owned businesses.

"For private enterprise to survive and prosper in SA it may be necessary to depart from its proper and correct role of aiming to maximise profit and to take a more active part in fulfilling socio-economic expectations," said Kennedy.

"This may include allocating more resources to education and training, and perhaps even some kind of affirmative action employment programme. This should help to defuse current antagonisms and help provide an acceptable face for capitalism in SA."

Kennedy said nationalisation was not based on tangible economic/financial criteria, but was in fact an emotional reaction to perceived injustices.

AA cost-cutting 'won't alter service, subscriptions'

Star 19/7/90

By Shirley Woodgate

Rationalisation measures by the Automobile Association will not directly affect subscriptions or the service offered to the organisation's 500 000 members, says managing director Peter Elliott.

"Internal cutbacks necessitated by high operational costs and a 25-30 percent inflation rate, rather than the official 15 percent, include the closure of the marketing division and retrenchment of 21 out of 750 staff, the scrapping of the AA Foundation and the training department," he said.

The AA Foundation is a research body that relies on sponsorship from organisations in-

terested in bringing down the road accident rate.

Another reason for a projected operating deficit of R4 million for 1990 was the fact that new projects devised by the AA had not sold as well as anticipated. These included the corporate membership scheme, which was not meeting its target in the present economic climate.

"Emergency road services, tow-truck operations and technical and travel services provided for our members will be totally unaffected," said Mr Elliott.

"In fact, the emergency road services will grow to meet the rising demand ... because of increasingly ageing vehicles on the roads."

Cape firm fires 24 ³³⁵

MORE than half the workforce at Shelco Shelving, near DF Malan Airport in Cape Town, have been dismissed following stoppages relating to the July 2 stayaway to isolate Inkatha. ¹⁵⁹

According to a dismissed senior shop steward and member of the National Union of Metalworkers of South Africa, Mr Henry Mentoer, 24 workers out of the total workforce of 37 were fired on July 6.

Workers downed tools in protest against the disciplinary hearing of four colleagues who had complied with the stayaway call by the Congress of South African Trade Unions. ^{Sowetan 14/7/90}

The four who stayed away were fired on July 6, sparking another stoppage and mass firing of the workforce. - Sapa.

Sacked after downing tools

By CHIARA CARTER

HUNDREDS of workers were dismissed this week after a spate of "wildcat" strikes at several factories in the Western Cape.

On Monday, more than 200 workers were dismissed from Gabriel SA in Retreat after taking illegal industrial action.

A spokesperson for the National Union of Metalworkers of South Africa (Numsa) said that the workers downed tools last week in support of wage demands.

The move followed negotiations during which the workers demanded a minimum wage increase of R2,50 an hour and R3 for artisans.

The company responded with a final offer of 65 cents an hour for the lowest grade, R1,38 for supervisors and other productivity-linked incentives.

The workers were fired after they defied an interim interdict ordering them to vacate the company canteen and return to work.

The spokesperson said the union was trying to talk to the company which earlier did not respond to a Numsa offer to intervene in the dispute if the company agreed to waive its right to sue the union.

The workers have said they will return to work if the company agrees not to victimise strikers, to withdraw the interdict and to negotiate wages with Numsa.

Double blow for Nehawu

GRAHAMSTOWN. — The National Education, Health and Allied Workers' Union (Nehawu) here received two disastrous blows when one of their officials burnt to death and the offices were burgled on the same day.

Organiser Mr Ntando Dyantyi was sleeping in a backyard shack in Fort Beaufort when he was burnt to death.

The fire is believed to have been accidental. — ANA

something the company has refused to do because it does not have a recognition agreement with the union.

The company, however, maintains that the workers have been dismissed.

Numsa members at SA Metal in Salt River and Epping were warned they faced dismissal after they downed tools on Monday in support of wage demands.

The workers are demanding R1 an hour across-the-board increase while the company has offered 46 cents.

Terms

Numsa members at Steeldale Engineering are siting-in at the company premises after they downed tools earlier this week, also in support of wage demands.

About 300 members of the Metal and Electrical Workers' Union of South Africa (Mewusa) downed tools at Cape Gate in Parow this week to demand that the company adhere to the terms of an interim agreement with the union.

The union is also in dispute at Plessey and National Panasonic — both factories which experienced lengthy strikes last year.

About 100 CWIU members are involved in an "unprocedural" strike at Plasticon, while members of the CWIU at Safimed have been taking industrial action, including a go-slow, since last week.

CWIU is also in dispute with BP and Metal Box (Blou Moulders).

Meanwhile, workers who were dismissed last month from the Kohler Xactics factory in Epping, following a sit-in at the factory, staged two demonstrations outside the company headquarters in Salt River this week.

A spokesperson for the CWIU said the union intended contesting the dismissals in terms of Section 43 of the Labour Relations Act (LRA) in the industrial court.

Workers at Consol Plastics in Kuilsriver will hold a lunchtime demonstration in support of wage demands this Thursday, a CWIU spokesperson said.

Makhaya Mani reports that Sactwu members downed tools on Wednesday at the Oudshoorn Leather factory to protest against the suspension of two workers.



WORKER MILITANCY: Dismissed Kohler Xactics workers demonstrate outside the company's headquarters
PIC: YUNUS MOHAMED

More industrial action imminent

By CHIARA CARTER

THE strike wave which has rocked South African industry shows no sign of abating. On the contrary, more industrial action is imminent.

By early this week, the number of workers on strike had reached the 40 000 mark — an all-time high.

Thousands of other workers are involved in go-slows, overtime bans and other forms of industrial action.

Most of the strikers are members of the South African Commercial, Cater-

ing and Allied Workers' Union (Saccawu).

Now thousands of other Saccawu members intend to take industrial action to highlight the union's living wage campaign.

Saccawu general secretary Mr Vivian Mtwa said all Saccawu members would take part in a one-hour national work stoppage next week during which they will picket outside their work places.

Mtwa said the union's central demand was the right of workers to picket.

He said Saccawu was also demanding the right to strike, access to company facilities during strikes and an end to rightwing assaults on strikers.

More than 400 Southern Sun and OK

Bazaars workers have been arrested so far — most of them for picketing.

This week, more than 80 Checkers workers were arrested at Ermelo for picketing.

Mediation

The union is presently negotiating with Checkers, while mediation is scheduled to take place later this week between Saccawu and OK Bazaars and Southern Suns.

The union is holding a strike ballot at Metro Cash and Carry stores this week.

The move comes after a conciliation board hearing broke down on Tuesday morning.

The union is demanding a R150 across-the-board increase while the

More mineworkers to go as Gengold's earnings plunge

Sta 19/7/90

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By Sven Lünsche

Gengold yesterday announced plans to trim its labour force by a further 2 700 workers because working profit at its 11 gold mines had plunged by 29 percent in the June quarter.

But it also disclosed a rescue package for beleaguered Stilfontein, which would allow operations at the mine to continue for the near future at least.

Gengold MD Gary Maude described the quarterly figures as dismal, with profits hit by a R2 500/kg fall in the average gold price.

So far this month the rand gold price received had fallen again by an average R1 000/kg, Mr Maude said.

The proposed lay-offs come on the back of a 10 200 reduction in its staff complement in the 12 months to June, which limited the rise in total working costs over the year to 6,5 percent.

"However, further cutbacks are necessary in the wake of the recent wage increases negotiated with the NUM and the weaker gold price," Mr Maude said.

Hardest hit in numerical terms will be the largest mine, Buffelsfontein, where phasing out operations at the Pioneer shaft could effect 1 300 workers over the next three weeks.

However, Mr Maude said the decision could be reversed if the gold price improved. The shaft would be maintained as a ventilation shaft and could easily be reopened at a later stage, he said.

In the June quarter, Buffels' taxed income fell to R18,87 million from R21,53 million in the previous quarter, despite a R2,5 million decline in working costs to R96,36 million (R98,84 million). A final dividend of 340c a share was declared.

At marginal mine Grootvlei Gengold announced lay-offs of 600



Gary Maude

workers in the September quarter after June quarter taxed earnings had fallen to R1,44 million (R2,19 million).

The mine reported a working loss of R1,2 million (profit of R394 000 previously). But income from interest earned lifted the bottom line and enabled Grootvlei to declare an interim dividend of 25c.

Mr Maude said a three-point rescue package for Stilfontein, included the retrenchment of 800 workers in the September quarter on the back of a cutback of 500 in the June quarter.

Previously he had said the mine might close if it reported three consecutive monthly losses, but that the programme could put the mine back on its feet if the gold price recovered.

The rescue package included increased exploration activity at the Ventersdorp Contact Reef, "which has not been well exposed", Mr Maude said.

"Furthermore there is a small amount of Vaal Reef on the lease

area, which could be explored profitably."

The mine would finance the increased production by tucking into its retained earnings of about R35 million, which over the quarter were boosted by Stilfontein's R10 million acquisition of Buffels' 20 percent interest in the Chemwes plant.

In the June quarter Stilfontein reported a taxed loss of R938 000 (profit of R1,3 million previously). Gold production fell by 50 kg to 1 100 kg, while working costs were slightly lower at R38,33 million. The mine declared an interim dividend of 10c.

Mr Maude was satisfied with the developments at marginal mine West Rand Cons where consistent profits over the last few quarter had allowed the mine to build up reserves.

Working losses of R567 000 contrasted sharply with last quarter's R785 000 profit as the lower gold price offset stable gold production and costs.

But a boost from interest received saw taxed earnings recover to R419 000 (R1,15 million).

Unisel was the only mine to raise its profits over the quarter, with taxed income rising from R7,81 million to R8,94 million.

Neighbouring St Helena fared worse as higher working costs of R75,96 million (R72,78 million) reduced attributable earnings from R9,6 million to R8,7 million. An interim dividend of 165c was declared.

At Winkelhaak a higher grade of 6,2 g/t (5,9 g/t) was offset by higher working costs of R67,3 million (R65,2 million), resulting in a R900 000 decline in taxed income to R32,17 million.

Kinross reported a R1 million decline in earnings to R17,5 million, while lower profits at Leslie of R2,06 million (R3,64 million) followed on a marked decline in gold production from 736 kg to 578 kg.

Gengold plans to lay off 2 700

14/7/90
Finance Staff

Gengold, Genmin's gold mining arm, yesterday announced that it planned to trim its labour force by a further 2 700 workers because working profit at its 11 gold mines had plunged by 29 percent in the June quarter in the wake of the fall in the gold price.

The renewed lay-offs follow massive retrenchments within the company's mines over the past few years.

Gengold's MD Gary Maude disclosed that the group's total number of employees had dropped by more than 20 000 — from 93 775 in June 1988 to 81 359 in June last year, and to 71 078 at the end of June this year.

The hardest hit in numerical terms will be Gengold's largest mine, Buffelsfontein.

Phasing-out operations at its Pioneer shaft could affect 1 300 workers over the next three weeks.

● Gengold quarterly results

Page 19.

More mineworkers to go as Gengold's earnings plunge

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So far this month the rand gold price received had fallen again by an average R1 000/kg, Mr Maude said.

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However, Mr Maude said the decision could be reversed if the gold price improved. The shaft would be maintained as a ventilation shaft and could easily be reopened at a later stage, he said.

In the June quarter, Buffelsfontein's taxed income fell to R18,87 million from R21,53 million in the previous quarter, despite a R2,5 million decline in working costs to R96,36 million (R98,84 million). A final dividend of 340c a share was declared.

At marginal mine Grootvlei Gengold announced lay-offs of 600



Gary Maude

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Kinross reported a R1 million decline in earnings to R17,5 million, while lower profits at Leslie of R2,06 million (R3,64 million) followed on a marked decline in gold production from 736 kg to 578 kg.

Freegold plunges to a shock R14-m loss

By Sven Lünsche

Earnings at Anglo American's Freegold mine, near Welkom, fell by R100 million in the June quarter to a loss of R14,2 million in the wake of substantial production losses and a seven percent drop in the rand gold price.

However, Anglo said yesterday it had entered into discussions with the unions to implement cost-saving measures, including the introduction of one extra shift a month, which would allow gold to be produced at 70 percent of the cost of the normal rate.

A month ago Freegold said it would be laying off 7 800 workers at its South Region.

MD of Anglo's gold division Lionel Hewitt said at a press briefing yesterday that industrial and political unrest plus the tornado that hit Welkom at the end of March had caused a five percent fall in production to 26 327 kg in the June quarter.

"Isolated incidents of industrial action, coupled with the political unrest in Welkom over the quarter, cost the mine 16 869 in lost man days, compared with about 10 000 in the previous quarter," Mr Hewitt said.

Production losses were particularly severe at the South Region, declining from 15 419 kg to



Lionel Hewitt

14 015 kg, while production at 12 312 kg was unchanged at the North Region.

The overall loss in production was accompanied by a decline in grade from 4,31 g/t to 4,09 g/t and a seven percent fall in the gold price received to R31 501/kg (R33 892/kg).

While working costs were down by R10,4 million to R777,1 million (R787,5 million) and capital expenditure was down by almost R30 million to R66,9 million the bottom line showed a loss of R14,2 million (profit of R87,9 million in the previous quarter).

Mr Hewitt said that apart from the cutback in the labour force, the mine was using the Reserve Bank's hedging facility to protect itself from fluctuations in the gold price.

The volatile rand gold price, which, according to Mr Hewitt, had declined by a further R1 000/kg since the beginning of July, had also impacted adversely on the results of Anglo's Transvaal mines.

Earnings at Vaal Reefs, its most consistent performer over the past few years, plunged by almost 50 percent from R60,8 million in the March quarter to R31,8 million.

Gold production increased by one percent to 18 008 kg (17 818 kg). Working costs were unchanged at R426,2 million, but this was offset by the lower gold price and a 77 percent surge in capital expenditure to R106,2 million (R59,9 million).

Vaal Reefs has declared an interim dividend of 485c per share.

Both Southvaal Holdings and Afrikander Lease, whose income derives from royalties paid by Vaal Reefs, reported lower earnings and dividends.

Southvaal's taxed profit fell from R71,47 million to R47,16 million. The interim dividend drops to 180c (275c). At Afrikander

Lease earnings fell from R28 000 to R10 000. A dividend of 5c has been declared.

Western Deep Levels' earnings continued to be affected by a fire at the East mine, which will only allow a return to full production levels by the end of this year.

Taxed profits rose from R81,2 million to R89,5 million, with the mine benefiting to the tune of R10 million from a previous over-provision for tax.

However, attributable profit fell to R21,4 million (R23,2 million) after a rise in capex by R10 million to R68,1 million.

The interim dividend has been lowered from 220c to 160c.

At Elandsrand production picked up to 3 521 kg from 3 116 kg previously and boosted taxed earnings by R5,2 million to R37,1 million.

However, a rise in capex from R16,7 million to R36,9 million, financed to the tune of R17,1 million out of the previous quarter's earnings, reduced attributable profit to R197 000 (R15,15 million). The mine has declared an interim dividend of 15c.

Problems at its Ergo pump station saw available profits at Ergo declining from R15,36 million to R9,9 million.

SA Land's interim dividend has been reduced from 25c to 20c on a drop in earnings to R834 000 (R1,15 million).

4 400 may lose jobs as JCI tries to rescue mine

Finance Staff

JCI today announced a major rescue package at its troubled Western Areas gold mine on the West Rand, resulting in the retrenchment of up to 4 400 workers — half its total work force.

JCI said it will discontinue operations at its North Shaft, with the possible loss of 4 400 jobs and six tons of gold production a year.

Among other measures, it has made a deal with the Reserve Bank for the forward sale of half the production from its South Shaft over the next 12 months.

Abandoned

This provides a measure of security as the mine will receive gold at a fixed price which is about R2 600 per kg above the current market price of about R30 500 per kg.

JCI has also agreed to defer payment of a substantial part of its "management fees", valued at about R10 million, until it is operating profitably.

JCI said it had approached the Government for State assistance, but in view of the recent tough findings by the Marais Committee on marginal profit mines this course of action was abandoned.

"Given the current low gold price there is simply no acceptable option

other than the package announced in order to maintain the viability of the mine as a whole," JCI said.

At the end of June Western Areas debts totalled about R130 million.

Profits are plummeting in the gold mining industry, threatening the loss of thousands of jobs and meagre returns for shareholders.

A combination of rising costs, a low gold price and industrial action is threatening the future of even the major gold producers, who are having to resort to stringent measures to get back into profit.

Yesterday, Anglo American announced it had begun talks with the unions to implement cost-saving measures at its giant Freegold mine near Welkom, where earnings slumped by R100 million in the June quarter. A month ago Freegold announced cut-backs in its work force of up to 7 800 people.

This week Gengold announced it would cut back its labour force by 2 700 workers after working profit at its 11 gold mines plunged by 29 percent.

The troubled Rand Mines group, which controls the ERPM mine, has even more woes this month, with disruptions from an underground fire and stayaways at its Harmony gold mine. A statement said an estimated 160 kg of gold — 6 percent of monthly production — would be lost this month.

● Freegold plunges to shock R14 m loss — Page 10.

At the press conference, attended by Western Cape United Civic Association (from whom the UDF

Gold mine set to retrench 4 400

Own Correspondent

JOHANNESBURG. — JCI's Western Areas gold mine is to discontinue operations at its north shaft and will have to retrench up to 4 400 employees, about half the mine's total workforce.

The mine this week reported a R17,3m loss for the June quarter.

The step, which will mean the loss of six tons in annual gold production — about 40% of the mine's total — was announced in a statement last night by JCI. It takes effect next month.

Other steps include forward sale of about 50% of anticipated gold production from the south shaft until June 1991 at a fixed price of R33 114/kg — about R2 500/kg more than the current price; and disposal of Western Areas' 41% stake in the South Deep project to an exploration company yet to be formed.

JCI said the company would make every effort to have retrenched workers re-employed elsewhere.

● 7 800 jobs threatened at South Region — Page 7

More strikes loom after failed negotiations

By Brendan Templeton

About 23 700 striking workers ended their disputes last week while more than 24 600 remained on strike.

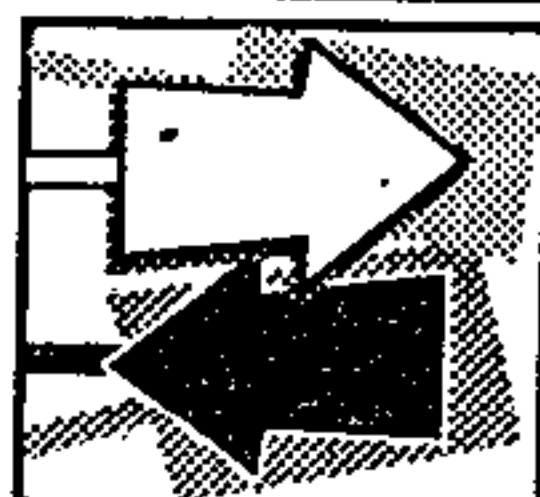
About 165 000 are poised to take part in strike ballots after negotiations with employers failed.

Mining groups announced 7 100 more retrenchments over the last seven days.

Strike settlements included:

Star 23/7/90

Strike
Barometer



Companies with workers on strike included:

- OK Bazaars and 7 000 South African Commercial, Catering and Allied Workers Union (Saccawu) members. Workers to return to work on Wednesday after seven-week strike.
- Checkers and 9 500 Saccawu members, who return today after a two-week strike.
- Port Elizabeth municipality and Amalgamated Municipal Employees Association. About 3 000 workers returned last week, pending wage negotiations.
- Transvaal Provincial Administration and 80 J G Strijdom workers, on Friday after "fruitful" talks.
- Rand Mines and 3 500 members of National Union of Mineworkers at Harmony mine's Merriespruit shaft, who returned on Friday. Negotiations continued over stayaway of 3 600 at another shaft.
- Possible end to Verwoerdburg municipal workers' strike after agreement to reinstate 500 of 750 striking South African Municipal Workers Union members.
- WJM Pipelines, Luipardsvlei, and National Union of Metalworkers (Numsa). Total of 102 fired strikers reinstated. Retrenchment of eight to go ahead.

- Southern Sun/Holiday Inns and Saccawu, at 41 hotels involving 6 000 workers. Strike 20 days old. Union demanding R160 increase, reinstatement of 105 workers and right of part-time workers to join union. Hotels offering R100 or 15 percent increase.
- Coca-Cola in Benrose and Food and Allied Workers Union. About 400 workers striking after drivers refused to deliver to strike-hit supermarkets.
- Liquor producers and the National Union of Wine, Spirits and Allied Workers Union. About 3 800 on nationwide strike over demand for R40-a-week increase. Employers offering R33. Consumer boycott threatened, union to apply for conciliation board.
- Consolidated Cotton Textiles and 10 000 SA Clothing and Textile Workers Union members over wage demand for R35 increase a week from July and R35 from next January.
- Ciba-Geigy and 172 Chemical Workers Industrial Union (CWIU) members in 78-day strike over company's non-participation in union's provident fund.

Referred to mediation on Tuesday.

- Reckitt-Colman and 400 dismissed CWIU members over company's non-participation in provident fund. Boycott of firm's products possible.
- Labelhica, Free State, and SA Chemical Workers Union. Total of 104 people arrested during six-week strike, union says. About 160 strikers demanding wage increase.
- West Rand Engineering Works, Krugersdorp, and Numsa. Total of 110 workers fired after strike over dismissed worker.
- Strike ballots pending:
- Numsa with 115 000 workers employed by Steel Engineering Industry Federation of SA — from July 30 to August 10.
- Saccawu with about 5 000 members at 126 Metro Cash 'n Carry stores — starts today.
- National Union of Mineworkers in coal mines at feeding 45 000 miners — soon.
- Issues:
- Saccawu's 90 000 members will hold a one-hour work stoppage on Friday to highlight their "living wage" campaign, the right to picket and the right of strikers to company premises during strikes.
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More strikes loom after failed negotiations

By Brendan Templeton

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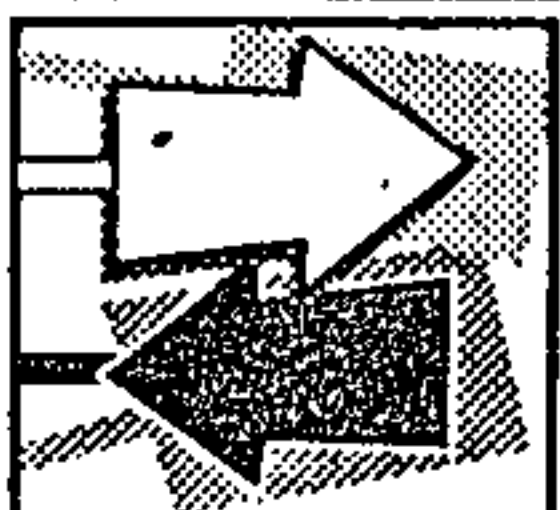
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Office under threat without sponsors

Staff Reporter

A REGISTERED welfare and fund-raising organisation, the Western Cape Unemployment and Advice Office, is in danger of closing down because of a lack of funding, its director said yesterday.

Mr Abduragiem Booth said six of the organisation's eight offices had already closed down, and the remaining two would shut soon unless the organisation received sponsorship.

Former sponsors Warner Lambert, Caltex and Permanent Homes have withdrawn their sponsorship because of the "deteriorating economic situation", he said.

The welfare organisation, headquartered in Wellcome Shopping Centre, Athlone, has 7,200 unemployed people on its books who "would suffer if it closed down".

"We are making a desperate appeal for clothing companies to come forward with clothing and blankets and for food companies to come forward with food parcels," Mr Booth said.

He also appealed for sewing machines, which "unemployed people could use to make clothing items for resale purposes". This is in keeping with the organisation's philosophy which is to help people to help themselves, sometimes by funding people for suitable training.

UNEMPLOYMENT. 1990

AUG. — ~~SEPT. OCT. NOV.~~ DEC.

Sowetan 1/8/70

Protest march against ruling

By MATHATA TSEDU

WORKERS at Zebediela Citrus Estate are to march on the office of the Department of Development Aid in Pietersburg to demand the scrapping of a proclamation prohibiting dealings between management and trade unions.

This resolution was taken at a meeting of workers at the weekend.

The workers, who are members of the Nactu affiliated National Union of Farm workers, also resolved to suspend strike action planned for next Monday.

The suspension of the planned strike came after management offered to open talks with worker representatives this week instead of at the end of the month.

The talks, to negotiate a new contract of employment, begin in Pretoria tomorrow, according to Nactu's regional organiser Mr Mos Mphahlele.

335 Talks

The workers resolved that proclamation R84 of 1970, which was quoted by management at a meeting two years ago as a stumbling block to direct talks with the union, had to be scrapped.

Meanwhile, about 80 members of the Steel, Engineering and Allied Workers of South Africa, employed by NTY in Pietersburg, have been dismissed following enquiries made by a representative over alleged continued retrenchments.

Nactu's Pietersburg organiser, Mr Theophilus Ramalamula, said yesterday that 18 workers had been retrenched in two separate actions since the beginning of the year.

Efforts to get comment from management were unsuccessful.

Also in Pietersburg, more than 3 000 members of the National Union of Metal Workers of South

African Metal Workers of South Africa have been on strike for more than 14 days, demanding higher

Shrinking job ads reflect slump

8/04/90 118/90

GRETA STEYN

THE recession has slashed the "situations vacant" columns of newspapers, leaving job seekers with a steadily shrinking selection from which to choose.

According to Standard Bank economic database figures, the centimetres of job advertisements in The Star and the Sunday Times combined fell by almost 43% in March — a particularly weak month — compared with March last year. The average fall from a year ago in the first five months of 1990 was more than 33%.

The demand for newspaper space to advertise jobs is an indicator of the business cycle — in 1987, when the upswing was getting under way, the year-on-year increase in centimetres rose by an average 33,73% each month. The next year, the peak of the upswing, saw a further average monthly rise of 17,86%. This was followed by a relatively moderate fall in 1989.

The slowdown in the rate at which new companies are being registered provides further evidence of a marked slowdown in economic activity. (335)

The number of new companies registered fell by 16% in April compared with the same month a year ago. But the situation is nowhere near as bad as in 1985, when the year-on-year decline averaged 48,31% a month. A total of 457 new companies were registered in April.

Imports are also regarded as a good signpost of the current point in the economic cycle. Machinery imports, specifically, pick up as the economy starts moving and fall as a downswing sets in.

As the largest category of imports, its fall is a major factor boosting the current account surplus of the BoP.

Atlantis gears down workforce

By JOHN VILJOEN, Staff Reporter

MLW 7/8/90 (335)

ATLANTIS Diesel Engines (Ade) is offering early retirement or voluntary retrenchment to 200 employees, 20 percent of its monthly paid staff, "due to the severe downturn in the economy and the motor industry in particular".

Demand for Ade's products had dropped by 20 percent over the past year, said Ade managing director Mr Fritz Körter.

The forecast demand for the rest of this year and the first half of next year predicted a further decline of 10 percent.

"Ade will also consult in this regard with the relevant trade unions," the company said in a statement.

A spokesman for the National Union of Metal Workers of South Africa said the union's Atlantis representatives had set up a meeting with Ade management for Friday.

Post Office workers strike over dismissal

Star 9/8/90

335

By Brendan Templeton

Postal workers at several engineering yards on the East Rand went on strike yesterday over the dismissal of a colleague.

The Post Office and Telecommunications Workers Association (Potwa) claimed the Post Office intended using the man's dismissal as a precedent paving the way to mass retrenchment pending privatisation.

Stayaways

But a Post and Telecommunications liaison officer denied the claim — privatisation was an outmoded issue and was no longer on the cards, she said.

The worker was dismissed because he was absent from work for more than five days when general stayaways were called, Potwa said.

The Post Office intended reducing costs to

make Post and Telecommunication shares more attractive to investors when the Post Office was privatised, a spokesman said.

But the Post Office official said this was "non sense".

"We were considering it a few years ago, but times change. This person was dismissed and management has followed all the necessary disciplinary procedures.

"Negotiations with the union are on, but his dismissal has nothing to do with privatisation," she said.

About 720 workers at engineering yards in Boksburg, Ravensklip and Schapensrust near Benoni were on strike she said.

Potwa claimed more than 1 000 strikers and said workers at Witfield and Brakpan were also expected to down tools soon.

Chamber warns of jobs cutback

By Michael Chester and
Brendan Templeton

The SA Chamber of Business (Sacob) has warned that wages demands, soaring above the inflation rate, would inevitably lead to a cutback in the size of the labour force.

This warning puts business in opposition to labour over the implications of a pending nationwide strike by 115 000 workers in the metal industry.

The warning was delivered at a Sacob news conference in Johannesburg that heard forecasts by the Steel and Engineering Federation (Seifsa) that a nationwide strike by the National Union of Metalworkers in the next few weeks now looked inevitable.

Seifsa economist Michael McDonald said the union was holding a strike ballot over the deadlocked reached with Seifsa in its demand for increases of more than 50 percent in minimum wage levels — "but the outcome is beginning to look like a foregone conclusion."

It would be the first strike to hit the metal in-

dustry since 1986. The danger date was August 20.

"The employers have offered increases of 19 percent for labourers, the largest on record," said Mr McDonald.

"There comes a limit to the labour bill any company can afford."

Sacob deputy director-general Ron Haywood said: "If wage levels go over the top, you start looking at retrenchments."

"Though the emphasis in South Africa needs to be on job creation to hold the lid on unemployment, inflated wages will force employers to look at alternatives like more automation," he said.

Spokesman for the National Union of Metalworkers (Numsa), Bernie Fanaroff, pointed out that more than 100 000 retrenchments had taken place in the industry since 1982 — at a time when companies were showing record profits.

Dr Fanaroff said the 100 000 retrenchments since 1982 took place through rationalisation and to raise profitability — not because of wage demands.

335 (2) Ste 11/8/90

NEWS

Crime linked to 59 pc black adult jobless

ONE of the keys to South Africa's high rate of housebreakings, robberies, muggings and thefts can be found in a recent survey which has revealed that 59 percent of the adult black population is not working.

"Poverty is very definitely the trigger behind most crimes committed by black people against property, and one of the main reasons behind unemployment is a lack of education," said Heather Regenass, national marketing manager of the National Institute for Crime Prevention and the Rehabilitation of Offenders (Nicro).

Semi-literate

Mrs Regenass said Nicro has found that 14 percent of its black clients have less than a Std 6 education and 34 percent only a Std 6 or 7 education. Most

(73 percent) have less than a Std 8 and 9 education.

"A Std 7 education makes a person semi-literate," she said, "but only 47 percent of our black clients are semi-literate."

Mrs Regenass said there can be no doubt about a correlation between unemployment and crime. "Economists say we are in a recession — Nicro calls it hell.

"We believe everyone has a choice with regard to crime, but apartheid has robbed many black people of their choice. White people have become a target for crimes against property (housebreakings, robberies, muggings and theft) because of

the tremendous disparity in our social and economic development, with vast differences between white privilege and black deprivation.

"Many of our offenders are youths, who sometimes turn to crime because of peer pressure, but there is also a 'Robin Hood' robbing the rich to feed the poor' attitude among some black youth. They believe their actions are justified because it's not a bad thing to commit crimes against people who are not of your own community."

A bleak picture of inequality and poverty has been painted by a R400 000 survey which revealed the alarming statistic regarding jobless black adults.

SUE OLSWANG

The survey, conducted by a group calling itself the Third Alternative, was carried out among 10 000 respondents throughout the country — including drop-outs, pupils, parents, teachers, educationists and community leaders.

Under the heading "poverty", the research revealed that:

- The average personal income of whites is R1 883 per month. Matriculated black people earn R772 a month, and those with primary school education R364 per month.

- Half (50 percent) of black

households and 3 percent of white households earn under R400 per month — more than 1 million black households earn under R400 per month. Just over 1 percent of black households and 55 percent of white households earn over R2 500 per month. (A recent cost-of-living survey of 36 major townships revealed that an average five-person family needs at least R1 033 to sustain a "modestly low" standard of living.)

- Most (80 percent) of black homes with children have no electricity.

- Close to one third (30 percent) of black families do not have a single book in their homes.

- Only 5 percent of black school children between the ages of 14 and 21 have their own table or desk to work on.

The heading "levels of education" revealed:

- About 23 percent of black adults have no schooling, while only 2.5 percent have a post-matric qualification.

- More than half (55 percent) of black adults over the age of 50 are illiterate, as are 7 percent of 16-24 year olds.

- Most (78 percent) of white children who entered Grade 1 in 1978 reached matric in 1989, compared with only 26 percent of black children.

- There are an estimated

1,6 million children between six and 17 who are not at school.

- Most drop-outs quit school because of poverty (eg could not afford uniforms or bus fare, or had to seek employment) with only 3 percent claiming ideological reasons.

Tuition choice

Questioned about educational preferences, 49 percent of black parents and 58 percent of teachers said they would prefer tuition mainly or exclusively in English. Most (87 percent) black want integrated schooling.

Black pupils rated medicine, teaching, defence/police and agriculture as the most important occupations, while teachers and leaders believed science, technology and engineers to be the highest priorities.

Jobless are major factor in unrest — economist

810am 17/6/90
GERALD REILLY

PRETORIA — A major factor in the unrest sweeping some of the country's major industrial areas is the high and rising level of unemployment, according to Econometrix chief economist Azar Jammine.

He said yesterday there was no way of putting an accurate figure on the numbers of workless, but what could be said with some accuracy was that there was little hope of an increase in employment during the rest of the year and in 1991.

Even if the downswing hit bottom in the middle of next year and there were indications of an upturn, no increase in job opportunities could be reasonably expected until well into 1992.

"It's a gloomy prospect and it is a fact that the growing workless element has become a major one in the violence and disarray in urban townships."

To be taken into account, too, were the estimated 300 000 or more new workers, many of them without education, seeking jobs annually.

Most would join the ranks of the unemployed, increasing the potential for unrest.

Central Statistical Service (CSS) figures show the number of unemployed coloured workers, especially in the age group below

25, has risen sharply.

CSS said in the February-April period the number of unemployed in this group rose from 34 000 to 54 000 — or by almost 59%.

In the age group 25 years and older, the increase was 18%.

Latest figures for the other population groups are not yet available, but economists stress an increase in the workless is unavoidable in the face of an economy wallowing in a recession.

Active

The coloured unemployment rate for April was estimated at 7,6% of the economically active population. This compared with 6,5% in March.

According to the CSS, total coloured population has reached 3,2-million. The economically active group is estimated at 1,245-million. That includes 1,15-million workers and 95 000 unemployed.

The unemployment rate for men in April was 7,1% and for women 8,4%. Figures for the previous months were 6,4% and 6,5%.

335

Mercedes to cut its workforce

Shareen Singh and Sapa

Mercedes Benz is to reduce its labour force by 15 percent — 800 employees — because of the downswing in the economy.

The retrenchments will take place through voluntary resignations, putting workers on early pension and boarding workers who are in ill health.

The move will affect Mercedes's East London plant, the Pretoria headquarters and the Pinetown spares division.

Yesterday, a meeting between the National Union of Metalworkers (Numsa) and striking Mercedes Benz workers failed to resolve a dispute over the workers' decision to opt out of the industry's National Bargaining Forum (NBF).

Court order

A Numsa spokesman said the situation remained unchanged and a further meeting would take place with workers today.

The Mercedes plant in East London, which employs more than 3 500 workers, has been shut down since Thursday when part of the workforce downed tools to demand the company opt out of the NBF.

The company obtained a court order on Monday demanding the union comply with an agreement signed between the parties last year.

The action by Mercedes workers is against Numsa policy. The union on Monday reiterated its position supporting the NBF, saying centralised bargaining increased worker unity and was the best way to build workers' power. It was also the only way to ensure that all workers were brought up to the level of the best paid workers.

It appears Mercedes workers have become disillusioned with the lengthy wage negotiations in the NBF and believe they could get a higher increase at plant level.

It is unclear how many workers support the rebel decision, but sources say most shop stewards are backing it.

More face lay-off

By DON ROBERTSON

335

ST Times 26/8/90

MORE retrenchments are expected in the motor industry as the recession deepens.

Severe pressure is reflected in lower sales. Motor-makers have been forced to sharply reduce sales projections for the rest of the year and in 1991.

Nowhere better is this reflected than in the decision by Mercedes-Benz to rationalise its workforce, although it not expected to affect production at the East London plant.

Mercedes chief executive Christoph Kopke says the rationalisation steps have been taken because the recession has "affected demand for our products".

Mercedes plans to cut the workforce by about 800 people, or 15% of the total.

Staff cuts will also affect head office in Pretoria. Mercedes offers early retirement and voluntary retrenchment.

The fall in demand has, however, dealt a blow to speculators who took advantage of long waiting lists for Mercedes-Benz cars. They either jumped the queue or when their turn came bought cars and resold them at inflated prices. Now that the backlog has shortened the speculators have disappeared.

Nevertheless, waiting lists for the W124 series are between three and 18 months, S Class 18 months or more and Honda about a month. The strike at the plant since August 16 could however lengthen the backlog.

Even

Two weeks ago, Atlantis Diesel Engines (ADE) said it was to cut its staff by about 20%. This could affect about 200 salaried and 300 part-time workers. The cut became necessary because of an expected 25% to 30% reduction in sales of medium and heavy trucks this year.

By reducing labour costs, ADE hopes to meet its prediction that it will break even in the current year.

Nico Vermeulen, executive director of National Association of Automobile Manufacturers of SA (Naamsa), says that if the economy does not improve, more retrenchments are inevitable.

High-volume manufacturers say that because of "buying down", retrenchments are not being considered.

In the three months to June, motor-makers employed 38 159 people compared with 38 459 in the quarter to March.

Naamsa members predict in the June quarterly report that passenger-vehicle sales this year will be 207 000 compared with a forecast of 209 500 made in the first quarter and 210 600 at the beginning of the year.

Car, truck sales fall puts jobs on the line

threat

Capacity

Sales of light commercials (LCVs) are expected to total 115 000 this year. In the first quarter sales were forecast at 116 500. The projection at the start of the year was 114 000.

Sales of medium trucks (MCVs) are expected to be marginally lower than the original forecast at 4 900. But expected sales of heavy trucks (HCVs) have been sharply reduced to 7 800 from 9 200 forecast in the first quarter and 9 200 in January.

Capacity use in the HCV sector fell to 61,4% from 68% in the first quarter and 84,6% in the fourth quarter of 1989. Plant use in the four sectors has fallen to 70,65% from 71,3% in March and 80,5% last December.

Capital expenditure plummeted in the second quarter. Five manufacturers spent R39,1-million compared with R119,2-million in the previous quarter.

Mr Vermeulen says contraction of the vehicle market has hurt component suppliers and motor traders.



The PG Foundation has established building workshops in the townships to help residents upgrade their homes.

335

Star 27/8/90

Job creation should be a priority

There are already four million adults of working age with no jobs, in the recorded part of the economy.

Almost half the present population are children. They will be seeking jobs at the rate of 1 000 a day over the next 15 to 20 years — jobs which presently do not exist.

The unemployment crisis, with all its human misery and social instability, is enormous.

Neither the Government nor the private sector are wholly equipped to deal with this problem.

According to Ian Hetherington of Job Creation South Africa, public-sector job creation does not raise national income and is not regarded as being a prime source of wealth creation.

He says that most large corporations readily admit that they are not good job creators themselves, unless they happen to be initiating a new development.

"Even then, for every one new job they must invest tens of thousands of rands in capital. They will agree that the best creators of permanent, new jobs are successful, start-up small businesses.

"This is especially true in terms of jobs for the unskilled, for first-time job seekers, and for those such as the mothers and the elderly who want a part-time job only.

It was for this purpose that Job Creation South Africa (JCSA) was formed.

In 1986 Barlow Rand wanted to create 500 permanent new jobs in the greater Johannesburg area, with special emphasis on Alexandra which was in turmoil at the time.

Since Barlow had no investment projects of its own which would create the jobs, it took up in partnership with the National African Federated Chamber of Commerce and Industry (Nafcoc), a job-creating approach which Nafcoc had discovered in Europe.

Barlows decided to sponsor a professionally managed results-oriented programme under which start-up entrepreneurs would be supported with intensive advice.

Job Creation South Africa was asked to handle the project and signed a three-year contract with Barlow Rand.

JCSA assisted 84 entrepreneurs to create more 700 jobs. Only three entrepreneurs failed.

According to Mr Hetherington, this contrasts with world-wide norms indicating that 50 percent of all start-up businesses fail within the first two years.

The contract has now been extended to create a further 250 new, permanent jobs.

See 27/8/90 (335)

CSI should be more business-orientated, with its primary aim being wealth creation, believes Ian Hetherington of Job Creation South Africa.

"If businesses see CSI as business rather than social responsibility it will be more lasting. We in the corporate sector like to think we are in the wealth-creation business rather than in wealth distribution," he said.

Although Mr Hetherington believes there is always a need for relief work and other CSI programmes such as those involving education, he feels there is another area of urgency — creating entrepreneurs.

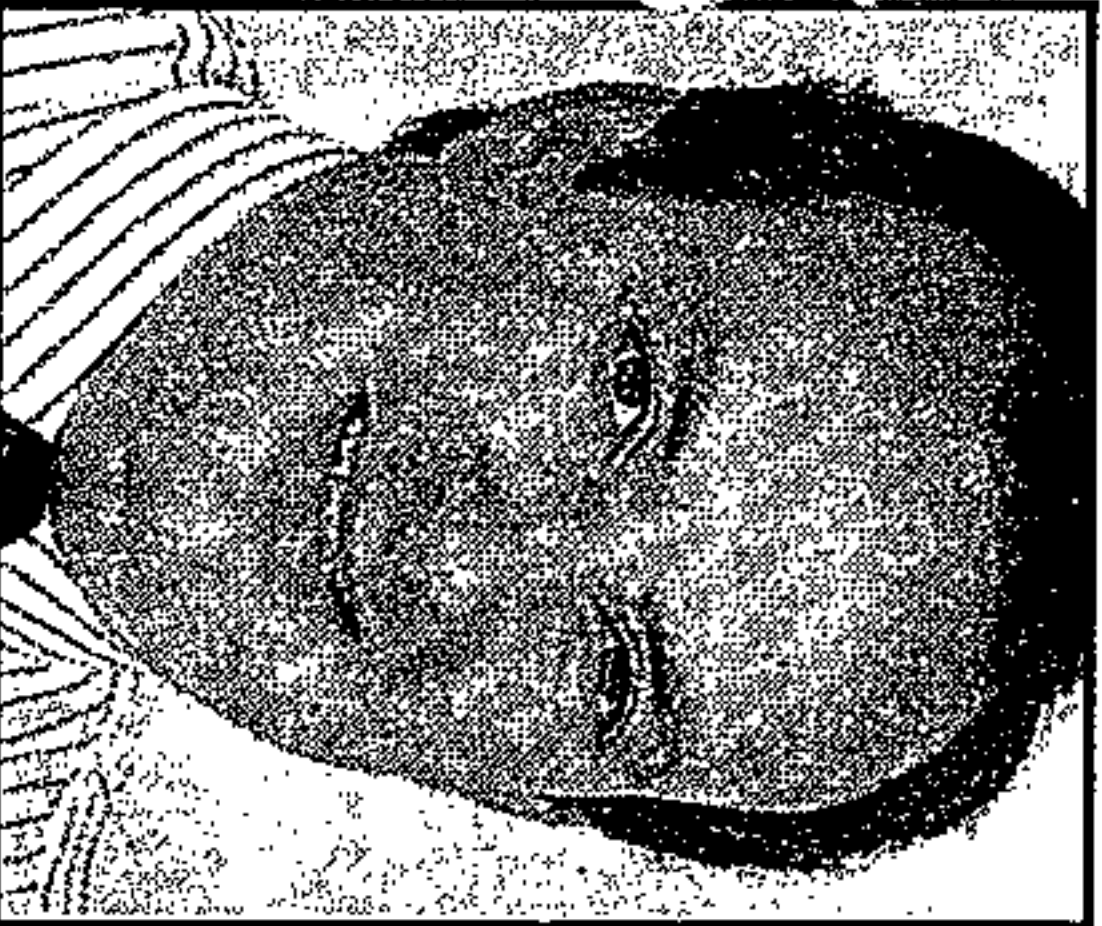
This would help solve the serious problem of unemployment.

"Unless the economy starts expanding — which it hasn't done for the last 10 to 15 years — we simply do not have enough wealth in this country."

Mr Hetherington is managing director of a specialised management consulting company jointly owned by the National African Federated Chamber of Commerce and Industry (Nafcoc) and the Barlow Rand Foundation.

It was contracted to create 500 new jobs in the area of small businesses in the greater Johannesburg area — a target it recently achieved. It is a profit-orientated company which advises and helps entre-

Firms must view CSI as business



MetroGroup marketing director Andrew Reitzer.

preneurs, particularly black people.

One company which has responded to appeals to create jobs has been Metro Group Limited.

Group marketing director Andrew Reitzer said that his company, when assessing a CSI strategy, decided to concentrate on their 100 000 traders and uplift this part of the com-

munity.

"We had two main thrusts — to help formal traders by offering training and to help the informal sector," he said.

"We found with the formal traders that there was a problem in getting them to attend courses, so we sent out caravans to the shops. We would then advise the trader right on his premises for a nominal fee of R15.

"With the informal sector we found that hawkers and spazas had a problem in that they did not have access to our stores, as only formal traders were allowed to buy from us. We asked the formal traders if they would mind us changing this restriction, and they said they wouldn't. We now have a specialist hawker store in Newtown, Siyakhula, where hawkers can buy goods."

"Siyakhula also caters for other hawker's needs by providing offices for associations in the complex as well as a insurance facilities."

Metro also helps new businessmen wishing to make use of the Lucky 7 franchise outlets. According to Mr Reitzer, once these shopkeepers have started a franchise their turnover usually doubles.

Speaking about the CSI programmes, Mr Reitzer said his company didn't believe the "do-gooder" approach was the most effective: "We wanted to rather help customers as businessmen."

"It is not paternalistic, it is also of long-term benefit and the communities are better served if these 100 000 or so traders can stand on their own two feet."

Mr Reitzer said the corporate sector had become increasingly aware of the socio-political climate: "People are doing more, asking questions and getting involved. It is vital for the future that companies have effective programmes."

General manager Phil Nielsen said it made good business sense to extend their services

into the black communities and support businesses who distributed their products.

The pilot project initiated in Daveyton on the East Rand is not regarded as part of the formal CSI activities of ABI but it does fall under the category of wealth creation.

So far ABI have put 260 entrepreneurs into business.

Daveyton has just one shopping centre, home to a Spar store, a large, conventional supermarket. In the year between April 1989 and April 1990, the number of other small grocery stores (or formal outlets) being serviced by ABI in the township has dropped from 75 to 55 (although their business has shown 50 percent growth). In the same timespan, the number of spazas grew from 70 to about 165.

Here ABI learnt a hard lesson. By helping spaza shops and the informal sector, formal traders took a knock. ABI has responded to this by setting in motion schemes to help the formal traders.

Mr Neilson said the company chose Daveyton as it represented a typical township with very little business development and large squatter camps.

Investing in People
A Sitr study into corporate social investment



Star 27/8/90

Gerry's Tuck Shop in the heart of the squatter area north of Daveyton on the East Rand is one of the outlets supported by Amalgamated Beverage Industries' pilot project.



The PG Foundation has established building workshops in the townships to help residents upgrade their homes. 335 27/8/90

Job creation should be a priority

There are already four million adults of working age with no jobs, in the recorded part of the economy.

Almost half the present population are children. They will be seeking jobs at the rate of 1 000 a day over the next 15 to 20 years — jobs which presently do not exist.

The unemployment crisis, with all its human misery and social instability, is enormous.

Neither the Government nor the private sector are wholly equipped to deal with this problem.

According to Ian Hetherington of Job Creation South Africa, public-sector job creation does not raise national income and is not regarded as being a prime source of wealth creation.

He says that most large corporations readily admit that they are not good job creators themselves, unless they happen to be initiating a new development.

"Even then, for every one new job they must invest tens of thousands of rands in capital. They will agree that the best creators of permanent, new jobs are successful, start-up small businesses.

"This is especially true in terms of jobs for the unskilled, for first-time job seekers, and for those such as the mothers and the elderly who want a part-time job only.

It was for this purpose that Job Creation South Africa (JCSA) was formed.

In 1986 Barlow Rand wanted to create 500 permanent new jobs in the greater Johannesburg area, with special emphasis on Alexandra which was in turmoil at the time.

Since Barlow had no investment projects of its own which would create the jobs, it took up in partnership with the National African Federated Chamber of Commerce and Industry (Nafcoc), a job-creating approach which Nafcoc had discovered in Europe.

Barlows decided to sponsor a professionally managed results-oriented programme under which start-up entrepreneurs would be supported with intensive advice.

Job Creation South Africa was asked to handle the project and signed a three-year contract with Barlow Rand.

JCSA assisted 84 entrepreneurs to create more 700 jobs. Only three entrepreneurs failed.

According to Mr Hetherington, this contrasts with world-wide norms indicating that 50 percent of all start-up businesses fail within the first two years.

The contract has now been extended to create a further 250 new, permanent jobs.

Suzman less euphoric about the future of SA

Star 29/8/90 (235)

By Winnie Graham

Helen Suzman, named the Allied's visionary of the year in Sandton last night, has confessed that she, "like so many starry-eyed liberals who were overjoyed when State President de Klerk made his historic speech in February this year", is now less euphoric about the future.

She told a banquet in Sandton there were many unknown quantities that bedevilled a peaceful transition from "the totally untenable system of statutory race discrimination to what was hopefully referred to as a nonracial democracy".

Mrs Suzman said her "visions" were not signs of any great brilliance on her part.

Most had evolved from an elementary appraisal of the realities of South Africa, such as acknowledging in 1968 the irresistible tide of black urbanisation and the impossibility of continuing to implement the pass laws.

She added: "It took only another 18 years before Government conceded the fact — not to mention several million pass law convictions — and repealed the laws."

Mrs Suzman said her crystal ball was now somewhat clouded.

There was the question of how to control the ongoing violence in Natal, the eastern Cape and the Witwatersrand; how to satisfy the expectations which had been raised to astronomical heights among blacks, coloureds and Indians; and how to provide employment for the thousands of unemployed blacks.

"Despite misgiving, my crystal ball does reflect one reassuring prism," she added.

"It contains my strong conviction that the vast majority of people of all races in South Africa desire to live in a country with a stable economy that can ensure improved standards of living under a government that respects the rule of law."

● Flexible urbanisation

— Page 19.

29/8/90 (335)

Creation of jobs is top priority, says SBDC chief

By Duma Gqubule

Creating jobs was SA's top priority, SBDC MD Ben Vosloo said yesterday.

He said small businesses could make a significant contribution to providing jobs for the estimated 300 000 people who entered the market each year.

"In the last decade the total economy has created 540 000 non-agricultural jobs. On the other hand, the SBDC has created an estimated 250 000 employment opportunities since inception in 1981.

"Since these opportunities were created at an average cost of R3 000 per job, this is a bargain for the country," Dr Vosloo said.

According to the annual report for year to March, the SBDC expanded its share capital by almost R30 million through a 40 percent rights issue, with more than 80 percent of private shareholders following their rights.

A special dividend of five percent on class A shares (held by the private sector) has been declared. The majority of shareholders chose to take their dividends as capitalisation shares rather than cash.

Operational assets (loans and business premises) grew 36 percent, compared with the previous year.

An amount of R62 million was approved for the provision of business premises in developing areas.

Link between inflation and unemployment

Sowetan 30/8/90

335

IN the last article we discussed the damage inflation can do to the economy. This time we examine the link between inflation and unemployment.

There is huge unemployment in South Africa. Many blacks of working age are unemployed, especially those who do not have education and skills. Many people blame apartheid for this problem. They are only partly right.

Where they are right is in the deliberate restrictions placed on blacks to receive a proper education and to work in certain jobs.

However, many other developing countries, where there is no apartheid, also have high unemployment. Over many years, these countries have often followed policies of high inflation. This means that they printed money to try to ease the burden of the unemployed.

Unfortunately, it has been shown time and again that printing money does not ease unemployment. It only leads to inflation. Sometimes, the extra money does give the economy a boost for a short period. This leads to new jobs being created. But rising inflation soon follows and jobs are then lost.

The reason is that inflation reduces the will of people to save their money. Consumers would rather spend than save.

Need to save

Savings are the life blood of an economy because they are the source of funds to build new factories and businesses. And this is where new jobs come from.

Even if savings are available, inflation clouds the outlook for the economy. Investors become less keen to put up new factories because the future looks uncertain.

So, in the long-term high inflation is always associated with rising unemployment. It can become a vicious circle. If jobs are declining and the government prints more money, inflation follows. Then more jobs are lost.

If the government prints more money, inflation rises further and still more jobs are lost. And so on.

Often this process is worsened by "stop-go" policies. This is where the government tries to reduce inflation for a while with very tough policies. Later, it backs down and inflation takes off again.

There are other negative effects. High inflation causes the exchange rate to fall which itself can lead to more inflation because the cost of goods from overseas becomes more expensive.

The message is that any economy that tries to inflate its way out of trouble only digs a deeper hole for itself. The only long-term solution to high inflation is tight control over the money supply and a freer economy.



Business columnist Graham Bell.

Workers should be allowed to work where they choose and accept whatever wage they can get.

This last point is strongly opposed by the trade unions because they are after a living wage for their workers. But where jobs are scarce, union wages can only be paid to a limited number of workers. If business cannot pay lower wages, it cannot afford to employ more workers. This is a growing problem in South Africa. It is a problem that printing money cannot possibly solve.

Countries that have achieved low unemployment have usually had low inflation. Korea and Taiwan are very good examples. These countries have had phenomenal success. They started as low-wage economies and concentrated on creating maximum jobs. Education has been a high priority.

Many successful economies have aimed to sell their goods into overseas markets. This earned them the foreign exchange to buy essential imports (mainly technology).

A high-employment policy is the best formula, even if wages start off low. The more workers there are, the more goods are produced and the more money there is to buy them. This means more businesses can start up and still more workers can be employed.

In short, the gruesome reality is a choice between low wages and no wages at all.

Right now the political mood in South Africa is not in favour of such an economic system. Hopefully, if the political climate improves we will accept that low inflation is a pre-condition for creating jobs.

Ex-Navy men to sue Malan

CAPE TOWN — A group of former SA Navy personnel has decided to take Defence Minister Gen Magnus Malan to court after his ministry, it alleges, reneged on part of a retrenchment package. (335)

More than 700 Permanent Force members who accepted a retrenchment deal from April 30 could be involved.

A spokesman for the sailors said at a meeting in Fish Hoek on Tuesday night that the claim would be based on an information document which had explained Project Dysan — the plan for salary and benefit increases after the Finance Ministry's announcement that the SADF and the police were to be given an increase in April.

The information document was signed by SADF Chief of Staff, Personnel, Lt-Gen L A Meyer.

Paragraph 11 of the document said the increases would be back-dated to April 1. Paragraph 12 stated that members to be retired would also benefit.

The spokesman said they had now been told the salary increases would start from July.

They had been told by Deputy Minister of Defence Wynand Breytenbach that no promises were made; that it was said only that increased benefits were expected to be back-dated to April, not that this would "absolutely and definitely" be done. 8/0am 30/8/90

One case is to be put forward as a test. — Sapa.

MD suspended over bugging, says union

Star 31/8/90

335

By Brendan Templeton

The managing director and two senior employees have been suspended at Nampak's Rosslyn plant in Pretoria after a listening device, linking a trade union office with the MD's office, was discovered by workers earlier this month, union sources said yesterday.

Confrontation between workers and management over the issue burst into the open again at three Nampak plants this week.

About 500 workers at Nampak Corrugated, Boxcraft and Transvaal Box held a one-day strike on Wednesday, and demonstrations at 39 plants were held over the past week, the Paper, Printing, Wood and Allied Workers Union said.

The union demanded that a company-wide in-

vestigation into illegal bugging be launched by management to establish their "bona fide" concern.

An investigation was held, but according to the union, it was restricted to the corrugated division of the company.

Nampak said in reply that a smear campaign of misinformation was being waged against the company and it was shocked and dismayed by the union's allegations, "particularly in view of productive meetings we held with them on the matter."

All documents on the bugging issue had been made available to the union's lawyers.

The union also claimed to have in its possession reports by trained informants who were given specific instructions to spy on union activities.

Jobless Afrikaners helped out

ADA STUIJT

A HALF-DOZEN businessmen responded to last week's article in the Saturday Star which exposed the battle for survival by thousands of impoverished, jobless Afrikaners in the Pretoria-Witwatersrand region.

Managing directors of companies, including a major plastics manufacturer, a carpenter and a clothing manufacturer, showed keen interest in given impoverished Afrikaners fulltime jobs.

Another six individual readers responded with offers of temporary gardening or house-keeping jobs for men and women.

And one manufacturer urgently required 20 men to temporarily take the place of his striking black employees.

Kleintjie Pereira of the non-profit welfare programme, "Werk and Oorleef", said all such job offers were welcomed and her organisation was happy to have heard from businessmen.

She said many men and women were still out there, without hope and often without food or shelter, and she hoped that companies and individuals with job opportunities would continue to contact the programme in future.

"Such job offers, even if they fail to materialise into permanent jobs, were more important than most people realised as it gave these people a spark of hope," she said.

"Many of the women, besides having housekeeping abilities, are also well-trained cashiers who often are asked to work during strikes but can't get full-time jobs because these are normally filled by blacks.

"And the men will do any kind of job, they often are excellent artisans who simply require some brief job training to adjust to specific tasks.

"Moreover, our people don't strike, they are too keen to work, to keep themselves and their children."

W/M at 31/8 - 21/9/90 (335)
111 still out of a job

■ ONLY 89 of the 200 Meyerton Town Council employees fired for going on strike on August 1 will be re-employed said personnel manager Bick Koekemoer.

In a statement sent to the Municipal State Farms and Allied Workers Union which has been fighting for the reinstatement of the workers, Koekemoer said: "Some of the employees' posts have been privatised and others filled by new employees."

Settlement reached

3/9/90
p. 10
ABOUT 1 000 workers of the Department of Development Aid have been appointed following dismissals after a strike action in Botshabelo, a joint statement from National Education, Health and Allied Workers Union (Nehawu) and the department said.

A settlement was reached after union and department's officials met to discuss the return to work of the workers and normalisation of essential services which were hampered by the strike.

Resume 335

The workers are to resume their duties on September 3.

Both parties have agreed to "avoid a repetition of such an unpleasant situation in future".

The statement said there was growing opportunism within both parties that the agreement would influence a positive development of labour relations.

40 journalists retrenched as paper closes

335

THE closing of the independent *Daily Mail* on Tuesday was a very sad and difficult moment for the newspaper's journalists and management, go-editor Anton Harber said. *Sowetan* 6/9/90

About 40 journalists of a total of 115 were retrenched in the closure, he said.

Sowetan Correspondent

"At this point, our sole concern is to continue with the *Weekly Mail* as a major voice in South Africa," he said. The *Daily Mail* battled for two months and 13 days to produce an independent newspaper, but was

eventually forced to close due to financial difficulties.

Reporters only heard on Monday who was going to be retrenched and there were tearful scenes in the newsroom when the final orders came through.

Harber was reluctant to delve

too deeply into the exact terms of retrenchment, but said a fund had been established to assist any journalists who found themselves in extreme difficulties.

Management had worked closely with staff and union representatives.

Storm-tossed jobs for many unemployed poor whites

evicted from a live accommodation. One of the first to be released, he ruled that the difference between what was fair and the Marievale

Storm-tossed
CLEVELAND (OF)
derstorm on Lake
killing two wor
missing. The two
who were rescue
58 km/h winds
clothes had been
battered Michiga
hundreds of peop
The non-profit
provides help to
poor, unemployed
ners in the Pretoria region
Shell-sho
one — and has been doing so
LONDON — A P the past five years.

May are young, often home-
less. Afrikaner families whose
breastwinners have over the
past few years lost their jobs in
the recently privatised railways,
steel and weapons industry, or
were retrenched from Wit-
watersrand mines.
Mdt businessmen interested
in hiring these Afrikaans-speak-
ing artisans — when asked by
Sapa for comment — said they
were especially drawn by Mrs
Pereira's recent statement in
Saturday Star that these la-
bours were hard-working arti-
sans who didn't engage in
strikes.
The businessmen — who, fear-
ing reprisals from unions do not

want to be identified — were ur-
gently looking for cashiers,
woodworkers, machine minders,
tool and die makers, mechanics
and "handymen".
In Natal, many companies opt
for mechanisation to counter the
disruptive effects of the ongoing
violence on their labour and
production, said University of

Natal economics lecturer Doris
Posel during a lecture at the
Maritzburg campus this week.
"There have also been indica-
tions that, as the reliability of
the existing labour force is seen
to decline, so firms are also
changing their hiring practices
by using more expensive Indian
or white pensioner labour, rather
than unionised or non-union-
ised African workers," the lec-
turer said. — Sapa.

A WELFARE organisation as-
sisting impoverished Afrikaners
in the Pretoria-Witwatersrand
region reports a sudden upsurge
in interest from the business
community in hiring these pre-
viously unemployed white arti-
sans.
And many Natal companies,
struggling to survive due to the
violence in the province, are
using more expensive Indian or
white pensioner labour or opting
for increased mechanisation —

E Cape faces crisis if Mercedes quits

10/9/90
335
About 100 000 jobs would be lost if Mercedes-Benz (MBSA) were forced to close its East London plant permanently, a local business leader said last week.

Production has been paralysed since August 16 when maverick workers occupied the plant, demanding that the company pulls out of the motor industry's National Bargaining Forum (NBF).

Although they were peacefully evicted on September 2, MBSA has kept the plant closed, and said it would not resume production until the workers sorted out their position with their union, the National Union of Metalworkers of SA (Numsa), which played a major part in setting up the NBF.

The cost of closure for the company is enormous — more than R330 million if one uses MBSA's figure of R13,5 million in production lost a day.

The factory's temporary closure sparked off frightening rumours that MBSA was considering relocating to Namibia or another area where the atmosphere in industrial relations was friendlier. MBSA's statement during the occupation — that its viability was being threatened — did nothing to allay these fears.

It has been 25 days since the Mercedes-Benz plant in East London was forced to close down, and still there is no sign of the crisis coming to an end. Mercedes generates more than half its business in the East London area. The motoring giant recently said the crisis at its plant was threatening its viability. **Labour Reporter BRENDAN TEMPLETON** examines the possible consequences if Mercedes were to pull out.

The company has since denied it has any intention of relocating and dismissed rumours that it has held meetings with the Namibian government, but the situation has once again emphasised how reliant the eastern Cape is on the giant motor company.

Effects of the temporary closure are already being felt further afield.

About 50 factories in the area are dependent on MBSA, providing components which generate about R600 million a year.

Other sectors, such as the docks' stevedoring industry, owe much of their business to the company. Already these industries are reporting temporary cutbacks in staff as a result of the impasse at the factory.

Coupled with the heavy reliance on Mercedes is the region's high unemployment rate,

conservatively estimated at 57 percent.

A welfare officer said resources at the region's welfare organisations, which currently feed more than 100 000 people daily, would be completely swamped if Mercedes closed shop.

"Unemployment in the area is so bad that a pullout by Mercedes is too frightening to consider. To even think that East London will be able to absorb those numbers (of unemployed) is a joke," the officer said.

Local Chamber of Commerce director Dave Groom said the ripple effect of a Mercedes closure would put about 100 000 out of work. He emphasised that the company had a strong commitment to the area.

"But if the labourers are totally unreasonable and are not going to work, they would have no option but to close. But I'm

sure management has got it well under control," he said.

The company was playing a leading role in the labour relations field, and what had happened there would certainly impact on the rest of the country, Mr Groom said.

Numsa officials have been meeting the maverick workers to try to persuade them to return to work, but have not yet succeeded.

Their actions have been as much of a setback for Numsa as for management as it has been the union which struggled for many years to establish centralised bargaining.

The NBF was formed late last year and includes six of the seven motor-manufacturing companies in South Africa. The sit-in at the plant could not have come at a worse time. Numsa is currently pressuring the only outstanding company, Delta, to join.

Behind the maverick workers' demands is the fear that they will lose their traditional pay advantage over other factories if Mercedes continues to take part in the NBF.

The ANC and the SA Communist Party support Numsa's position and have sent members to the area in an attempt to resolve the issue.

Number of jobless is now 'dangerous'

UNEMPLOYMENT had reached dangerous proportions, with 41,5% of the potential work force without formal employment opportunities, Development Bank of Southern Africa (DBSA) policy analysis director Stef Coetzee said on Friday.

In an address to the biennial conference of the Development Society of Southern Africa at Wits University, he said the economy's labour absorption capacity slumped to 12,5% between 1985 and 1990, from 73,6% between 1965 and 1970.

Coetzee said urbanisation could make an important contribution to economic development because policies in force since the mid-'80s favoured such a contribution.

"However, given the declining economic growth rate, magnitude of poverty, structural features of unemployment and the nature of the development problems of cities in SA, a package of policies will be needed to address unemployment," he said.

Although the informal sector would continue to offer a safety net to

those outside formal work, it could not act as a solution to SA's unemployment problems.

Changing the pattern of economic growth was necessary to encourage the economic empowerment of the poor, which could be done through inward industrialisation and suitable housing policies.

He said stress had to be placed on upgrading informal settlements and a more integrated city form, linking the developed and developing parts of cities.

"Despite the positive outcome of the above policies, special employment programmes and public works programmes will be necessary to alleviate the pressing unemployment problems."

Coetzee said existing funds and development institutions should be used and the programmes should be designed to lead to permanent job creation.

335
10/9/90

ACHMED KARIEM

Urbanisation seen as a contributor to job opportunities

Finance Staff 335
Urbanisation could make an important contribution to economic development and employment creation, Development Bank of South Africa policy analyst Stef Coetzee said yesterday.

He told the biennial conference of the DBSA at Wits University unemployment had reached alarming proportions, with

41,5 percent of the potential workforce without formal job opportunities.

A political settlement was needed to improve the economic growth, he said.

"However, a change in the pattern of economic growth is needed to promote the economic empowerment of the poor. This can, inter alia, be effected through policies

promoting a process of inward industrialisation and appropriate housing policies," he said.

Mr Coetzee said "emphasis will have to be placed on upgrading informal settlements and creation of a more integrated city form, networking the developed and developing parts of our cities more closely than before".

100 000 may lose jobs in East London

Sowetan 12/9/90

335

THOUSANDS of workers could lose their jobs if Mercedes Benz, a car manufacturing plant in East London closes.

Union and management representatives were still locked in talks yesterday.

The company's loss in revenue is so far reported at R230-million.

Both management and the National Union of Metalworkers of SA (Numsa) have refused to comment on progress made in negotiations to resolve the crisis.

Production came to a halt on August 16 when workers occupied the premises for about two weeks, demanding the company withdraw from the motor industry's National Bargaining Forum (NBF).

Police are reported to have raided the premises and ended the unlawful siege on September 2 but company chief executive

Mr Christoph Kopke announced the plant would remain closed.

Public relations officer for the company, Mrs Wendy Hoffman, said Mercedes-Benz would not release any statement until progress had been achieved in the negotiations.

Advertisement

In a full-page advertisement addressed to workers, Kopke said it would not open until:

- * Management had been able to assess damage caused.

- * The company and Numsa had agreed on a process to determine the fairness of the company's decision to dismiss "the rebel workers" under the circumstances.

- * The union had

satisfied management that all hourly-paid workers in the bargaining unit whom it represented, excluding the dismissed workers, were prepared to resume work in accordance with their conditions of employment, company procedures and all collective agreements con-

cluded between the two parties.

- * Management and the union had agreed on a "practical process" to remove the problems which were "impacting on the growth and viability of the company."

Said Kopke: "I believe that it is imperative

that the above points are effectively addressed prior to the plant re-opening, if we are going to honestly build a company which we are all proud of, and which can contribute to the development of a viable democratic, non-racial future." - Sapa.

This doesn't feel like home for ex-ANC exile

ANC exile Jeanette Selby ached for 30 years to return to the land of her birth — but within six months of her return to South Africa she found she could not adapt and, disillusioned, she has decided to go back to Europe.

"I was excited to return to South Africa and the prospect of sharing the skills I learnt abroad. But I have realised it's not my home.

"I feel as if I'm standing outside the window of a home, looking in," she said despondently.

The 59-year-old exile, who had been living in East Germany with her husband Arnold Selby before her return to South Africa, said her expectations were dashed after returning to the country.

Mr Selby (73) is currently in Sweden taking part in a marathon race he organised to raise funds for the ANC.

"Arnold is still on the run," Mrs Selby said with a smile.

Mr Selby, a founder member of the South African Congress of Trade Unions, was banned in 1953 under the Suppression of Communism Act. He fled the country several years later after being sought by the police. Mrs Selby followed him, and the couple married in exile.

Her husband would not return to South Africa permanently, said Mrs Selby, who is due to return to East Germany later this month.

The difficulties of finding a job and permanent accommodation were factors which prompted her to return to her home in exile.

"I can't find accommodation because of the housing shortage. I've combed the streets for a job without any luck. Maybe it's because of my age or maybe it's because my references are all from East Ger-

Crossing a road, or taking a stroll down Johannesburg's streets, comes easily to most people. But for some it's a nightmare. A recently returned exile, who described the horror of getting lost in a city she once knew, spoke to SHEHNAZ BULBULIA about her feelings of insecurity and isolation since her return to SA.

many. Without a job, how can I survive?"

The lack of support structures compounded the problem of adjustment, she added.

"I have a family that cares, but no friends. Arnold's family don't want anything to do with us because of our political in-

volvement. It's a rejection I can't cope with."

Mrs Selby found day-to-day errands, such as buying groceries, traumatic experiences. She kept finding herself lost in the city maze.

"People have told me it would take several years to adjust, but at my age I don't know if I have time," she said.

Mrs Selby, who is living with relatives in Bosmont, Johannesburg, said she could also not accept living in a racially segregated area.

"I can't cope with the blatant racism. Even though it was a struggle living in East Berlin, and we were walled in, I felt free. I'm used to integrating with people of different races."

Thousands of exiles are returning to South Africa and Mrs Selby fears they will also feel like her — an outsider in a homeland she perhaps will never feel comfortable in.

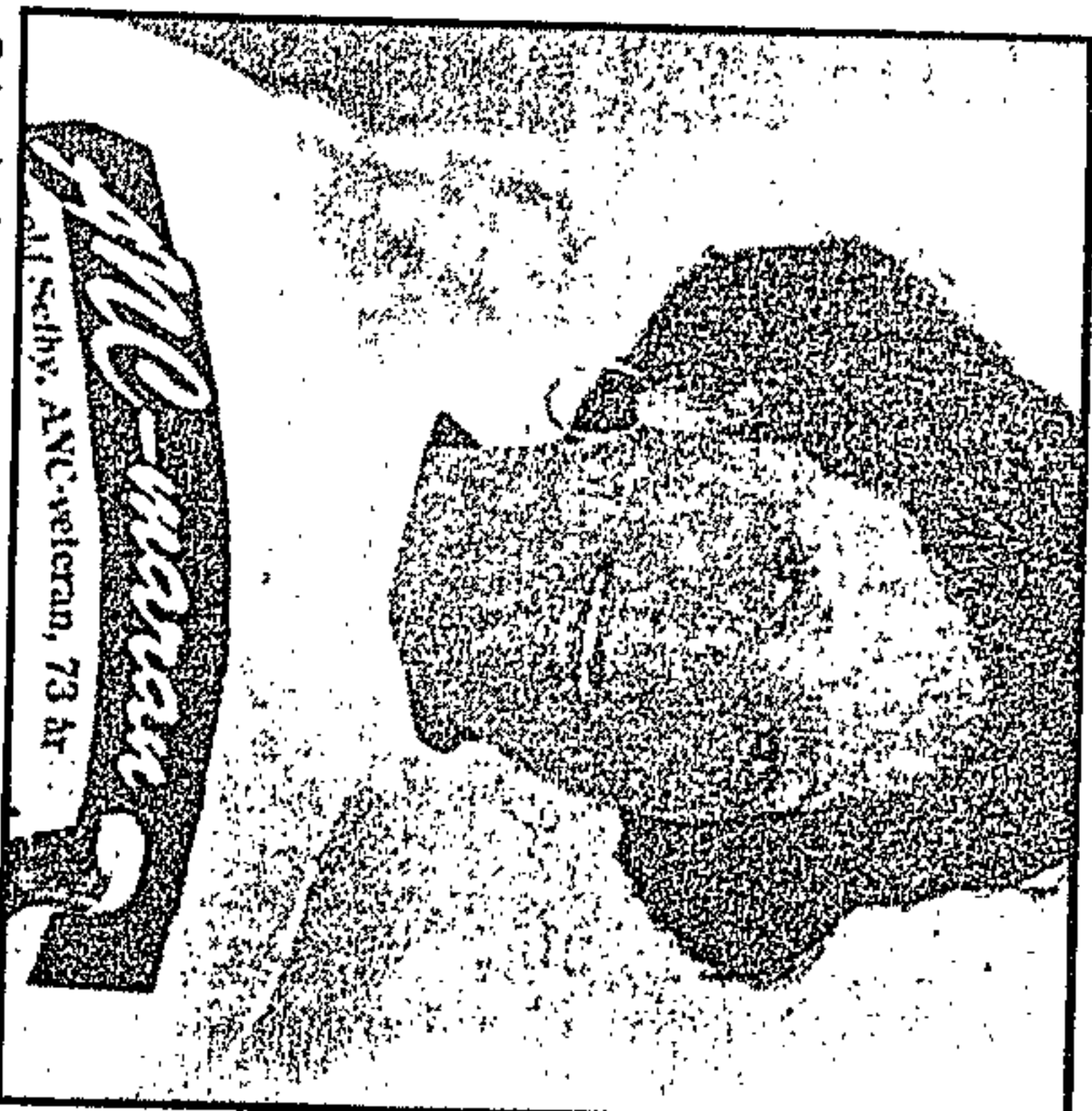
The ANC has admitted there are problems facing returning exiles.

The convenor of the ANC's organising committee for returning exiles, Jackie Selebi, said the ANC was in the process of establishing structures that would assist exiles and freed political prisoners to re-integrate into South African society.

He said the ANC's recently established social welfare department had taken on professional counsellors to help exiles to adjust.

"The ANC hopes these provisions will ensure that exiles do not find it necessary to return to exile," Mr Selebi said.

A national co-ordinating committee, comprising different political organisations and church groupings, in which the ANC was also involved, had been established to assist exiles to adjust, he added.



Going back . . . Jeanette Selby wears a T-shirt bearing a picture of her husband Arnold, who is currently in Sweden taking part in an ANC marathon he organised to raise funds for the organisation.

Picture by Peter Mogkai.

'Flotel' layoffs

ABOUT 30 workers face retrenchment as the result of the conversion of an oil rig into a "flotel" for the Moss gas project.

A spokesperson for the Chemical Workers Industrial Union said its members who had worked on the Actinia rig were given a week's notice by their employer, Sopedlog. *South 13/9/90-17/9/90*

The spokesperson said the company had offered a month's wages as severance pay and the possibility of re-employment next year.

CWIU last week met with Moss gas, Sopedlog and Soekor to discuss the retrenchments.

Last year, the union clashed with the company over recognition.

50 000 retrenched union

By Shareen Singh

An average of 8 000 miners were retrenched every month and 50 000 had already lost their jobs since the beginning of the year, the National Union of Mineworkers (NUM) said yesterday.

Another 78 000 faced retrenchment with the threatened closure of 18 marginal mines.

Anglo American's Freegold mine near Welkom planned to retrench 7 800 miners soon, the union alleged. An Anglo American spokesman said discussions were still in progress with the union and no decision on retrenchments had been made.

The union claimed that at Genmin mines alone 25 000 had lost their jobs this year. A company spokesman said only 12 500 jobs had been lost.

Paulus Nhlenipo (31) told The Star he had worked at Grootfontein mine for 10 years

and received his retrenchment papers last week. He had been paid one week's salary for every year of service, which amounted to R1 540,08. Several miners who spoke to The Star said they had been employed for more than nine years.

The retrenchments have prompted a joining of forces by mine unions.

The NUM and white unions — the Council for Mining Unions and the Mine Surface Officials' Association — have held several meetings and reached agreement on retrenchments. This was the first major alliance since the unions got together earlier this year to discuss racial issues, the National Union of Mineworkers said.

About 10 000 miners plan to join an NUM-organised march to the Chamber of Mines head office in Johannesburg tomorrow.

Sasol starts to dismiss strikers

Sasol had begun dismissing about 2 000 striking workers at the Sigma colliery after a wage negotiations deadlock with the SA Chemical Workers' Union, a company statement said yesterday.

Tracing the 14-day dispute, Sasol charged that the union had initially demanded an "outrageous" increase of 300 percent.

After negotiations, the union dropped its demand to 258 percent.

Sasol also said its wage offer of 20 to 23 percent was on a par with that between the union and management at its Secunda mines.

Despite this, the union had refused to end the strike.

The union has not yet commented on the dismissals. — Sapa.

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Sasol fires striking workers

SASOL dismissed 2 000 striking workers from its Sigma colliery, company spokesman Jan Krynauw said yesterday.

Krynauw said the workers — members of the SA Chemical Workers' Union (Sacwu) who have been on strike over wages for two weeks — yesterday failed to respond to management's return-to-work deadline.

The union was told on Monday that its members had to end their industrial action by 2pm yesterday.

Krynauw said production at the colliery was seriously affected. However, Sasol 1 — which receives its coal from Sigma — has not been hit by the strike.

Dismissed workers had one week to reapply for employment. Sasol would re-

MATTHEW CURTIN

crut new workers if this deadline was not met. 8107 1419190

Union officials said on Monday they believed the coal stockpile at Sigma was running low but said they would continue their strike for a 300% wage increase.

The company has offered wage increases of between 20% and 23%.

The union was not available for comment yesterday.

Sasol had an industrial court declaration that their dismissal of 1 000 strikers in October 1987 was an unfair labour practice overturned in June this year. The union is applying to the Bloemfontein Supreme Court for the right to appeal.

ber 14 to September 20 1990

Millions jobless - and the number is rapidly growing

W/Mon 14/9 - 20/9/90

335

By REG RUMNEY

A COMMITTEE probing pension provisions has come up with frightening figures on joblessness in South Africa.

The Mouton Committee report reckons that more than seven million people are not "formally employed".

The report deals mainly with private retirement provisions, but in dealing with the number of people who can pay for their pensions it touches on the issue of "formal employment".

However, definitions of employment and inaccurate statistics bedevil measurement of the problem. There is consensus that South Africa's low growth rate means unemployment is growing every year.

Describing unemployment as having reached alarming proportions, Development Bank policy analysis director Stef Coetzee estimated that 41,5 percent of the potential workforce was "without formal employment opportunities since 1989".

He added that between 1974 and 1989 the formal sector had created 1,2-million employment opportunities while the labour force increased by 4,7-million.

The nub of the problem is South Africa

has a population growth rate of around 2,5 percent, and an economic growth rate that on recent performance cannot even catch up, let alone increase the wealth of the people in the country.

At a South African Association of Business Management seminar this week Finance Department director general Gerhard Croeser noted the economy must grow at a rate of 5,5 percent (measured in terms of the gross domestic product).

But during the 1980s growth averaged only 1,5 percent.

Comfort can be drawn from the existence of a large informal sector — but only in part.

The Mouton Committee report notes that some three million people are economically productive in the informal sector, giving a better overall picture of joblessness.

But it is unlikely that many of these people will be able to make formal provisions for their retirement.

Coetzee warns: "The informal sector will continue to act as a safety or security net for people outside formal employment but cannot offer a solution to South Africa's unemployment problem."

and contracts were clinched, gold fell to \$360 before rallying

Under 1 000 face Bankorp scythe

335

By DIRK TIEMANN

BANKORP executive chairman Piet Liebenberg says estimates that 2 000 or 3 000 staff members are to be retrenched are vastly exaggerated.

Personnel chief Neels Steenkamp says far fewer than 1 000 will go. Bankorp believes trade unions are suggesting high numbers to panic staff members into joining them.

Mr Liebenberg says Bankorp is using the best legal advice on retrenchment procedure. It wishes to observe the letter and the spirit of the law. Employees may consult any union they choose.

About 20 have chosen to negotiate with the assistance of unions, such as the SA Society of Bank Officials (Sasbo), and will be allowed to do so.

Attempts are being made to retrain employees and arrange jobs with other employers.

Sasbo, which claims 1 000 Bankorp members, is unhappy that the bank is negotiating with individual members — not with it. Sasbo has no recognition agreement. Sasbo claims Bankorp insists that it represent 50% of the staff complement before gaining recognition.

Mr Steenkamp says terms of retrenchment are still being negotiated. "It is between ourselves and the individuals."

funding priorities, he said.

on them for skills

Retrenchments 'inevitable'

8/10/90 17/9/90
THE National Union of Mineworkers (NUM) did not stand alone in its concern over retrenchments and the marginality of certain SA gold mines, Chamber of Mines president Clive Knobbs said at the weekend.

Retrenchments were the unfortunate consequence of adverse economic circumstances, and while the industry had done all in its power to avert them, they were inevitable in the recessionary climate.

Earlier, about 4 000 miners marched to the chamber and Anglo American head offices to present a petition to mining industry representatives.

Union spokesmen said the NUM document was an earnest call to stop retrenchments and create more jobs for workers. (335)

The NUM, which organised the march, said that up to 8 000 people were being retrenched a month. Knobbs said the chamber believed the number was lower. NUM general secretary Cyril Ramaphosa headed the march. ANC information director Pallo Jordan and SACP general secretary Joe Slovo also addressed the crowd. — Sapa.

Big business role in Soweto

THEO RAWANA

BIG business is expected to converge on Soweto tomorrow to take part in a conference designed to expose SA's corporate world to planned developments and allay fears about investing in the township.

The conference, with the theme Soweto — Untapped Source of Opportunities, will be held at the local Vista University (near Baragwanath Hospital), and will be hosted by the Soweto Builders' and Developers' Forum (SBDF) and the Soweto Friendship Month Steering Committee.

Subjects to be discussed include:

- ☐ Soweto CBD as a development opportunity;
- ☐ The role of banks in the future development of Soweto; 8/10/90 17/9/90
- ☐ Bridging finance and development;
- ☐ Development of entrepreneurial skills.

Govt spending

Total overspending is expected to amount to about R1,2bn this year, ment has spent 40,5% of its total far, slightly below the 40,8% in

The high deficit came about sharply higher revenue, which is 15% above last year's R26,23bn. The revised budgeted

Deployment

the first time on Friday, and South police had confiscated an AK-47 roadblock near Jabulani, Soweto, day night.

An ANC spokesman agreed that a "standoff" had been resolved, said further developments would be until after tomorrow's emergency of the organisation's National Committee (NEC).

The ANC is expected to form an official response to the government's measures at the NEC meeting, called to end the violence.

LRA deal

This would mean that — changes to the legal rights of domestic farm workers are processed through the NMC, as is normally the case with labour law — the unions, as NMC members, would be directly involved

Builders ^{Shaw 14/14/90} ⁽³³⁵⁾ seek cut in interest rate

By Michael Chester

The Government was urged yesterday to reduce interest rates as a first move in trying to halt the growing wave of retrenchments in the building industry.

The appeal followed warnings by National Education Minister Gene Louw that the number of job losses in the industry threatened to soar to 165 000 by the end of next year unless the economy pulled out of recession.

Mr Louw revealed the shock estimates in his address to the Boland Master Builders Union at the weekend and underlined the vital role of training and productivity in improving the longer-term outlook.

The new appeal for Government action on interest rates came from one of the leaders of the property sector, Camdon's Nationwide managing director Scott McRae, who blamed high rates for much of the job devastation.

He said 2 200 construction workers had been axed in the past four months, according

to an official count by Central Statistical Services, and 15 000 more jobs were expected to be affected in the next three months as the situation worsened.

"Bringing down interest rates is the single most positive step the Government should take," Mr McRae said.

"There is enormous pressure to provide housing for all levels of our society. We should be facing a building boom — not the prospect of almost half the building labour force losing their jobs.

"Builders and developers already work on water-thin margins. Their input costs are kept high by interest rates.

"It is now cheaper to buy an existing house than to build a new one.

"Homebuyers, already strapped by high interest rates, are doing just that."

The appeal by the property sector adds to pressure on the Reserve Bank by the South African Chamber of Business to start a gradual reduction in interest rates by the year-end at the latest to avert an even steeper economic downswing.

secret visit

CAT-
Timp
19/9/80
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R1m drive to aid workless

Staff Reporter

THE Western Cape Unemployment and Advice Office has launched a campaign to raise R1 million to feed families of the unemployed and start self-help schemes.

The organisation, which feeds more than 10 000 children, works with the community to establish brick-making, sewing, fencing and agricultural projects.

It says there are 50 000 unemployed in the Western Cape.

Those wishing to contribute to the fund should contact the chief case-worker, Mrs G du Toit, at 637 2386.

Retrenchments 'reflect the downturn'

THE spate of retrenchments in the computer industry in recent months has been described by some sources as unrepresentative, and not limited only to this market sector.

CPL Permanent Placements MD Peter Maybury says few of the retrenched people are directly involved in computer-related jobs, whether as programmers, trainers or otherwise.

"This moves the focus of the retrenchments from the data processing (DP) industry, which some like to believe is collapsing, to the general downturn in the economy, which is putting pressure on all business sectors."

Sage Computing CE Alan Mitrovitch says his company has retrenched 15 people, and has some 200 staff now on its books.

"We're taking cognisance of a troubled industry and a tight economy, and must be proactive in reinforcing the long-term future of this company."

"We're simply looking at the economy and tightening

335

Blow 20/9/90

MELANIE SERGEANT

belts accordingly. Retrenched staff were not from any specific division. Some were in fairly junior positions, and some quite senior."

Mitrovitch says Sage is consolidating some areas of operation and becoming "leaner and meaner".

The computer industry is constantly short of specific skills but, he says, Sage is not recruiting now.

A XeraTech spokesman would not be drawn on the number of staff retrenched by his company. "Companies are constantly in a state of flux: they are not static entities," he says. "Staff come and go either through retrenchment, early retirement, relocation, or rationalisation."

ICL retrenched about 80 of its 1 200 staff in May-June this year. Some people opted for three-month notice periods, so are now leaving.

A spokesman says staff from various levels are affected. "The retrenchments were not done for the usual reasons — a downsizing in business — but because of a blitz on the organisation's skills profile. We were recruiting at the same time as retrenching, to ensure we had the necessary skills on board for our strategic focus."

Tek Corporation subsidiary Tek Industrial retrenched about 150 people ranging from middle management to shopfloor staff. MD Neville Organ says this was due to a major market downturn related to cuts in telecommunications and other spending.

MD of CPL Contracting, Tony McKenzie, says: "There's major rationalisation in industry, with a tremendous drop in the number of jobs available for permanent staff. However, there isn't a significant fall in the number of contract positions available, because those using contractors are generally not involved in retrenchment programmes," he says.

As the economic downturn intensifies, he forecasts more retrenchments.

Maybury says despite the constant cry from the computer industry for more skills and training, there is a shortage of technical people in only a very limited range of skills.

In line with local and US trends, Maybury's company has started a new service called "limited outplacements".

Sowetan 21/9/90

Dismissed workers picket

Sasol's Sigma Colliery in Sasolburg was picketed by about 2 000 employees who were dismissed yesterday.

The workers, who are members of the SA Chemical Workers Union, went on strike last week after wage talks which started on September 3 deadlocked.

Sasol had set yesterday as the deadline for strikers to return to work.

A company spokesman said they had started recruiting new workers but added that the dismissed workers could also re-apply.

Sasol's media manager, Mr Jan Krynauw, said the deadlock and subsequent dismissal of workers followed the union's "unrealistic and outrageous" demand for a 259 percent wage increase.

Krynauw said the company offered increases of between 20 and 23 percent on the minimum wage scale, which works out to R500 and R454 a month for underground and surface employees respectively.

He said the union rejected the offer.- Sapa.

Unions pricing employers out of world markets

Sto 21/9/90 1923 1424 335

By Des Parker
DURBAN — Former Toyota Marketing managing director Colin Adcock says trade unions are pricing their employers out of world markets with their demands for minimum wages divorced from productivity gains.

They are reducing South Africa's international competitiveness and making the country increasingly impoverished.

Mr Adcock, who helped transform Toyota from the country's smallest vehicle manufacturer into its largest within 10 years of joining the firm in 1972, said at KwaZulu Training Trust's 1990 business forum in Durban that minimum wage bargaining was "akin to painting yourself into a corner".

"Manufacturing in this country is becoming increasingly inefficient, and the products more and more expensive in large part because of the demands by labour for ever-higher wages unlinked to improved productivity."

The lowest-paid worker at Toyota — who was required to have no formal qualifications — earned

R1 130 a month, while the starting salary in a bank for a matriculant was closer to R900 a month.

He challenged his audience to keep a tally of what they did during their working day.

"See how much time you spend walking to do the job, how much time you spend waiting for somebody to do something so that you can do your job. Add these together and see how much time is left over."

"The left-over portion is the time you spent actually working, and in South Africa, it works out to less than 50 percent of the working day."

If the "working portion" could be raised to 60 percent, the effect on efficiency — and in turn on production costs and prices — would be amazing.

Delegates heard that South African business had been saddled for years with the British and French style of "top-down" management in which management set policy and gave orders and workers followed them.

Mr Adcock advocated the Japanese approach to worker-involvement.

Mercedes workers told to claim their back pay

1994/23/9/10

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employees not dismissed to report this weekend to receive their back-pay.

The East London plant has been closed since August 16, when several hundred Numsa members occupied the premises in an attempt to pressure the company to withdraw from the NBF.

Police later evicted the workers at the company's request.

According to management at Mercedes, the assembly plant would remain closed until:

- The dismissal issue was finalised;
- Numsa had satisfied management that all its hourly-paid members at the plant – excluding those who had been dismissed – were prepared to resume work in accordance with agreements; and
- The company and Numsa had agreed upon an acceptable, and understood, "practical process to remove the problems impacting on the growth and viability of the company".

Meanwhile, Mercedes employees who have not been paid for the past 43 days, are becoming desperate for a resolution to the dispute because of their increasingly critical financial positions.

One woman, whose husband has worked for Mercedes for the past 20 years, said the family's situation was becoming frightening. No money had come in for over a month, and "we can't take handouts forever".

Company spokesman Wendy Hoffman said Mercedes was aware of the hardships being suffered, and had tried at all times to resolve the matter as soon as possible. — Sapa



Numsa's Moses Mayesiko ... 'refusal to reinstate caused impasse'.

MERCEDES-BENZ South Africa has asked the 538 employees dismissed last month for illegally occupying the company's plant in East London, to collect their personal belongings and claim back-pay due to them.

The company has also indicated it is to re-open soon, but no date has been given.

The dismissed workers were told to report to the personnel section to receive back-pay "in respect of wages payable prior to the industrial dispute at the plant and as per the wage agreement reached at the National Bargaining Forum (NBF)".

Talks continued this week between Mercedes and the National Union of Metalworkers (Numsa) in an attempt to resolve the outstanding issues preventing the re-opening of the plant.

A major issue is the future of the dismissed workers. Mercedes wants Numsa to agree on a process to determine the fairness of the dismissals.

According to an earlier statement from Numsa general secretary Moses Mayekiso, the company's refusal to reinstate the workers had resulted in an impasse in the talks.

Numsa was prepared to go to arbitration to resolve the dispute, he added.

Mercedes also asked employees not in possession of valid company identity cards to apply for them, as access to the plant would otherwise not be allowed "on the day that the plant re-opens".

The request is the clearest indication yet that Mercedes will not shut permanently. Mercedes has also asked

Labour 'put Mercedes off target for past five years'

MERCEDES-Benz SA's East London plant had not met its weekly production targets once in the past five years because of industrial relations problems, Mercedes-Benz official Wendy Hoffman said at the weekend.

Hoffman said go-slows and absenteeism at the East London plant were responsible for the shortfalls in production. She said chairman Chris Kropke had expressed concern that labour problems were the single greatest threat to the firm's viability.

But the firm was confident the National Union of Metalworkers (Nnumsa) would agree to procedures under discussion, which would provide a stable future for all plant employees.

Production has been at a standstill since mid-August, when Nnumsa members staged a sit-in to demand the company withdraw from the industry's national collective bargaining forum.

Our East London correspondent reports that companies ancillary to the Mercedes-Benz plant are bracing themselves for the possibility that production at the factory will not be resumed this year.

MATTHEW CURTIN

Two weeks ago these companies, which supply components to Mercedes-Benz, began laying off workers as no end to negotiations between management and Nnumsa was in sight. It was feared that if Mercedes-Benz was not back on stream by the end of the month, it might not open until next year as it would have to close for the Christmas industrial holiday during December.

Two days

Turin, which supplies engine blocks to Mercedes-Benz, has laid off 155 of its 250 workers. The Wilsonia factory's financial manager, Jan Mans, said last week his company was preparing for "the worst scenario".

"We have indefinitely laid off people and the arrangement is that as soon as Mercedes is back to normal production then we will reconsider and call them back," he said.

Mike Crosby, financial director of National Converter Industries (NCI) — which makes Mercedes-Benz interior fittings — said his people were working two days a week until there

was "something definite to go on".

If production was suspended until the end of the year NCI would probably retrench staff.

The department manufacturing wire-harnesses for Mercedes-Benz at Kromberg and Schubert had been closed.

And Roger Wass, GM of Feltex — which manufactures seating foam rubber — said he was aware of the talk about no production until next year, but did not believe it.

If it did happen Feltex would have to retrench 40% to 50% of its workforce. However, it was managing to keep people employed by finding alternative work.

None of the companies would disclose losses suffered since several hundred Mercedes-Benz workers went on strike on August 16.

Kromberg and Schubert, Turin and Faltex said they would consider releasing the figures soon.

Mercedes-Benz had said its plant was losing R13.5m a day.

East London Chamber of Commerce director David Groom said the region could lose up to R700m a year and up to 10 000 jobs if Mercedes-Benz closed down its plant.

Unemployment a key factor in violence

^{Bloom 25/9/90}
SANCTIONS-induced unemployment among young black school leavers was "maybe the major factor" behind communal and tribal violence in townships, Harry Oppenheimer said yesterday in New Orleans, Louisiana.

Oppenheimer received a gold medal from the Mining and Metallurgical Society of America at the opening luncheon of the American Mining Congress. The award is made annually to an outstanding individual in the minerals industry.

"Are sanctions working? I would say to you that they certainly are and that they

RIAAN SMIT

are bringing great pressure on the SA government and all South Africans."

SA's exclusion from international sources of loan finance had turned a developing country, which would have normally attracted substantial investments, into a capital exporting country. This made it necessary to enforce a restrictive fiscal and monetary policy.

This in turn placed "highly undesirable" limitations on the sums of money that could be made available for education, for

housing and for the whole infrastructure of the country and imposed indirectly "a very great reduction" on the total level of employment that was available.

"In the nature of SA society, this unemployment hits black rather than white South Africans."

While the killing in the townships continued, it was obvious that the difficulties in the way of negotiating a peaceful settlement were greatly increased.

"For this state of affairs there are many reasons: ethnic, historical and political."

□ To Page 2

Unemployment

^{Bloom 25/9/90}
But I do not think that any serious observer would deny that unemployment among young black school leavers is a major, maybe the major factor, behind these deplorable events."

Oppenheimer said in spite of all the misery and violence in SA and southern Africa there was light at the end of the tunnel. Apartheid and Marxism were both

^(335/280) □ From Page 1
in a state of terminal decay and there seemed to be a chance of building democracy, freedom and prosperity in the region.

What was needed was not a continuation of pouring money into African countries. "What the new southern Africa needs is private investment which stands up to examination on the solid basis of calculation of profit and loss," he said.

Easing the pain of retrenchment

AS LOCAL businessmen recognise their corporate image begins with their staff — both past and present — the US concept of "outplacement services" is gaining ground.

CPL Computer Personnel director Peter Maybury says outplacement services are usually commissioned by a company needing to reduce its workforce.

The consultant counsels and assists staff who are losing their jobs and ensures the situation is handled sympathetically and in accordance with legal requirements.

The service covers financial and career development counselling, psychological counselling, capability assessment, help with writing resumés, interview training, salary negotiation, establishing links with training programmes to develop skills and seeking new employment opportunities.

Advises

In addition, the consultant advises the employer on its legal requirements, counsels on laying off staff and ensures questions asked by staff are answered.

"Companies are realising that laying off staff can leave a nasty taste in everyone's mouth — and one which impacts on their image," Maybury says.

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An outplacement service does more than assist the newly unemployed and guide the employer. It also reassures personnel who have retained their jobs in the organisation.

"Outplacement assures employed staff they, too, will be treated with consideration should they face the same situation," he says.

Abattoir picket

South 27/9 - 31/10/90

Dismissed Cape Slaughter workers and members of the Western Cape Unemployed Workers' Union (Wecuwu) intend holding a picket outside the Maitland abattoir in Cape Town this week.

The workers are campaigning for reinstatement.

Meanwhile more than 70 locked out Woodstock workers and Wecuwu members this week demonstrated outside the Cape Gas premises.

Jobless on the march

South 2719 - 3/10/90

THE Western Cape Un-
employed Workers' Un-
ion (Wecuwu) intends
holding a legal march in
Cape Town this week-
end to demand a reduc-
tion in the price of basic
foods.

The march to the Depart-
ment of Manpower offices
is scheduled to start at 10
in Kaisergracht street, Dis-
trict Six, and is likely to
include several Cosatu af-
filiates.

Wecuwu is planning pro-
test marches in several
other towns in the Cape.
Other demands include
scrapping GST/Vat and an
end to unemployment.

Armcor, SADF plan to axe jobs

By Norman Chandler
Military Correspondent

Armcor and the South African Defence Force last night disclosed new rationalisation and reduction moves.

The moves have Cabinet approval, said Minister of Defence General Magnus Malan and the decisions had been taken in order to meet constraints planned for implementation in the 1991 Budget.

It is the second time this year that the two organisations have cut back on staff.

On January 19, 2 000 personnel had been retrenched or retired and the SADF also announced that it was closing various bases.

A spokesman for Armcor — who said that the group had “a leading edge in technology” — said last night the organisation was unable at this time to provide the total number of people being retrenched or what services were being reduced.

He said both the SADF and Armcor would soon make their own announcements.

According to a statement by Armcor and the SADF, the successes achieved by the military, the ending of conflict in southern Africa, and the dynamic development of the country had brought about the rationalisation move.

The move, however, did not mean the country's military preparedness would be placed in jeopardy.

The decision also comes in the wake of a Government decision in March to cut defence spending by R1,8-billion during the current financial year.

Earlier this month, Armcor signalled its intentions by saying its strategy for the 1990s would be to streamline operations, and one of the key elements in the future would be the marketing of its weaponry.

Two divisions have been set up to handle procurement and international marketing and industrial interests.

The industrial division will be split into aeronautics, weapons systems and support services sections.

Armcor's subsidiaries include the Atlas Aircraft Corporation, Eloptre (which manufactures optical and electro-optical systems), the Infoplan computer services group, the Kentron guided weapons organisation, Lyttelton Engineering works, Musgrave Manufacturers and Distributors, Naschem, Pretoria Metal Pressings, Somchem, and Swartklip Products.

Armcor earlier this year announced it was ending weapons testing at its St Lucia range, on the Natal north coast.

More retrenchments expected in civil engineering industry

By Frank Jeans

The civil engineering industry, which appeared to be moving into more stable market conditions, has suddenly been hit by a renewed decline in the volume of construction work.

In an overview of the industry, the South African Federation of Civil Engineering Contractors expects the tempo of civil work for the rest of this year and during 1991 to drop off at a gradual, moderate rate.

"Employment in the industry will also decrease and more retrenchments will occur," says Safcec's executive director, Mr Kees Lagaay.

"Tendering for the reduced amount of work will be highly competitive and contractors' profitability, which had shown an improvement over the past two years, will be down again.

On the plus side, the imminent award of the Katse dam contract — conservatively estimated at about R1 billion — and the

three tunnel contracts for the Lesotho Highlands Water Scheme which will involve South African contractors, will create a large amount of work over a number of years from 1991.

"According to a recent Treasury directive, capital expenditure by public authorities will be further curtailed in next year's Budget," says Mr Lagaay.

The Safcec director sees advantages for the industry in the Government's continued emphasis on better housing for the lower income groups and the concomitant improvement of township roads and services.

"The R2 billion Independent Trust Fund established by the Government and the forthcoming Joint Services Boards in Natal can only improve the prospects for this type of work, provided land allocation and red tape problems, as well as township unrest, can be resolved expeditiously," he says.

Pact fires 270 workers after 'illegal' strike

WIMCO 2819 - 416 1910
BY MARK GEVISSER

THE Performing Arts Council of Transvaal (Pact) has summarily dismissed all 270 black workers in its Pretoria office for taking part in an "illegal strike" on Tuesday.

The workers, all members of the Paper Printing Wood and Allied Workers Union (Ppwawu), range from highly specialised technical workers to chefs and office cleaners.

After a report-back from their shop-stewards on Tuesday, they demanded to see deputy general director Louis Bezuidenhout. He did not appear and the workers were fired less than two hours later after refusing to return to work.

"We wanted to see Mr Bezuidenhout," said shop steward Enoch Mawasha, "because management is stalling over granting us stop-order facilities." The workers want Pact to deduct union dues from pay-checks.

"We are willing to grant stop order facilities," responded Bezuidenhout, "but we are locked into an agreement with another union and we are currently applying to the Industrial Council for exemption. Our representative explained this at the meeting, but the workers were unprepared to wait."

Ppwawu officials said the union has been engaged in a deadlock with management over this issue for months now: Pact, they say, has consistently refused to deduct union dues from pay cheques.

cause he was in detention.

ions such as the Small Business
Development Corporation and the

of the sn
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'Use funds to ease unemployment'

PRETORIA — Part of the R3bn set aside by government for development should be used to ease SA's critical unemployment problem, Afrikaanse Handelsinstituut President Tom de Beer said at the weekend.

Special measures to provide the workless with temporary employment should be considered.

After a meeting of the AHI's executive committee, De Beer said the economic problems confronting SA had never been more complicated.

Besides shrinking profit margins, weaker turnovers and rising costs, unemployment was increasing steadily.

And SA was saddled with an inflation problem which had not yet been affected by the Middle East oil crisis. Trade

GERALD REILLY

unions' unrealistic and aggressive wage demands indicated the inflation problem was a long way from being solved.

De Beer said balance of payments prospects were also problematic.

Commodity exports would come under pressure as a result of the world economic downswing and also because SA had lost much more because of rising oil prices than it had gained by the rise in the gold price.

The AHI believed fighting inflation — which would involve further sacrifices in terms of economic growth — remained government's most important policy priority.

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By Tom Hood

CAPE TOWN — Many factories in the Western Cape this year faced re-trenchments and short-time working for the first time in many years, and for many businessmen on a scale not faced before, says the annual report of the Cape Chamber of Industries.

The CCI says: "These regrettable adjustments in the number of people in gainful employment has fuelled the fires not only of unrest and trade union action, but also of

Retrenchments and short-time working faces Western Cape

the downturn in demand for the products of industry, and so the spiral continues until events occur which can reverse the process."

The CCI believes the only form of wealth redistribution which will benefit the dispossessed and the country overall is through wealth creation

and it is only by the containing of manufacturing costs and the development of increased economic potential and markets that this can be achieved.

Referring to District Six, the report says the chamber supports the ending of the Group Areas Act and does not

favour the application of Free Settlement legislation to Cape Town.

The chamber was approached "by certain large business interests" to support the Free Settlement laws being applied to parts of the city.

Large employers wanted to get housing for a

growing number of relatively senior executives who, under, present laws, could not always be housed to the standard required.

"The executive council reluctantly agreed to support the proposal, not because they were opposed to what the applicants wanted to achieve, but because it could be held to be a compromise to their already agreed view of settling for nothing less than the removal of discriminatory legislation."

More than 27 000 jobs lost

PRETORIA — Job losses in the four major employment areas of the economy amounted to a massive 27 786 in the first quarter of this year, statistics released yesterday showed.

Central Statistical Service figures showed total employment in the four categories — mining, manufacturing, construction and electricity — amounted to 2 634 907 in April. By end-June this had fallen to 2 607 121. ~~16 121~~ **335**

In the four months to end-July employment in the mining industry fell

GERALD REILLY

sharply by 19 486 to 676 621.

In manufacturing the loss was 7 600 to 1 461 900 and in construction employment fell from 417 900 to 415 900 — a loss of 2 000.

About 400 jobs were lost in the electricity industry during the same four-month period to reduce employment in the industry to 51 000. *8/24 5/10/90*

Economists have predicted that the decline in total employment is likely to continue well into next year.



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THE BUSINESS PRESS

Retraining Spectre looms

By TOM HOOD
Business Editor

HUGE retrenchments of clothing workers can be expected next year if a Cape industry-wide strike goes ahead and disrupts factories, say manufacturers.

The spectre of the Cape's first clothing strike loomed this week after deadlock in wage negotiations between the South African Clothing and Textile Workers Union and the Cape Clothing Manufacturers Association.

Both sides have agreed to go to mediation.

However, the union has declared a dispute and says it will hold a strike ballot if a pay agreement is not reached.

The union has softened its demands — a R45-across-the-board increase was lowered to R30 — but employers stood firm at R26 a week and refused to give a week's annual bonus.

Interviewed this week, several manufacturers said while they accepted that wages

would have to rise, increases on the scale demanded could not be met with the economy in a fully fledged recession.

"We believe many workers value their jobs and are lukewarm towards going on strike, but if a strike did go ahead it would devastate the industry and create intense bitterness," said one manufacturer.

"It would mean a huge loss of business which could not be recovered. I have told one of my militant shop stewards he has been appointed to the committee which will decide who will be retrenched next year.

"We are being screwed by the big retail chains, who would immediately repudiate any late deliveries caused by disruption of production. The retailers don't want to know about our problems."

Pressure by retail chains had forced big reductions in prices so that some orders were being executed at no profit or a small loss merely to avoid a lengthy gap in production, he said.

One menswear company reported a retail chain accepted its price, then demanded an "advertising discount" of 2 percent as well as a "confidential discount" of 5 percent.

Told that these demands were impossible, the retailer told the company: "Go back and sharpen your pencil and see what figures you can produce."

Another employer said he could no longer take the hassle of niggling disputes with tenants and was considering closing his Cape factory and re-opening in Namibia or the Transkei.

A major employer commented: "Unreasonable and excessive demands for increases substantially above the CPI without significant improvements in productivity will not make for a happy and stable working environment."

The owner of a small CMT (cut, make and trim) factory said the cost of a week's bonus would wipe out his profits in the present downturn.

Meanwhile, a shock report this week warned clothing companies that their profits were probably fictitious because they did not allow for inflation and they were paying too much tax.

The report, by accountants Arthur Andersen, examined the income statements and balance sheet of the country's largest clothing manufacturer, Searle Investment Corporation, and produced current income financial statements in line with the guidelines of the South African Institute of Chartered Accountants to show the effects of inflation on the company's trading performance and financial position.

—Contest for exporters—

Business Editor

THE Cape Chamber of Industries is to sponsor a competition to recognise and encourage the achievements of exporters.

Any Western Cape manufacturer who has made a contribution to South Africa's export trade may enter.

Two trophies will be awarded:

- Exporter of the Year — open to all manufacturers in the Western Cape.
- New Exporter of the Year

— open only to manufacturers entering the market for the first time.

The competition starts next January and entries are to be submitted by the middle of March 1992, with the first awards being presented in May 1992.

Judging will be based on the best export effort in relation to the size of the company to ensure that small manufacturers stand as much chance of winning as large manufacturers.

Doctor has a change of life

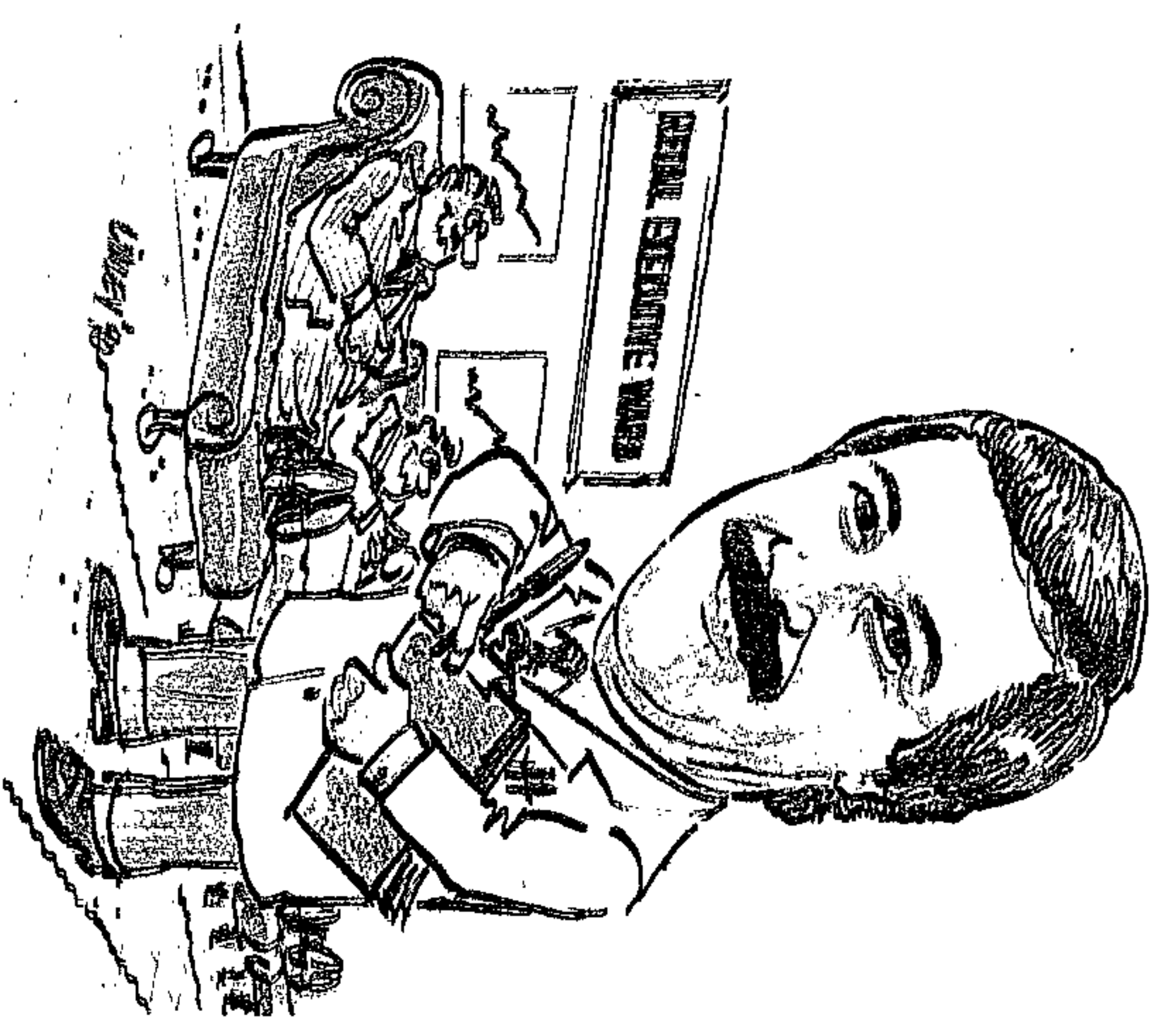
By DON HOLLIDAY,
Business Staff

SELDOM does a leading figure in the medical world decide to set aside all he has striven for and embark on a new career in the business world.

Even rarer is the speed and success with which psychiatrist Dr Derek Bromfield, director of the Institute of Retail Studies at the University of Cape Town's Graduate School of Business, has adapted to his new environment.

The former chief psychiatrist at Johannesburg's JG Strijdom Hospital and head of the the psychotherapeutic ward at the Tara clinic for the mentally ill decided shortly after opening a private psychiatric practice in 1986 that he needed a career change.

"I became frustrated at the idea of dealing almost exclusively with individuals and found I wanted to work in an



BUSINESS PERSONALITY OF THE WEEK

Doctor Derek Bromfield . . . a rare case

area affecting a large body of people," he said.

He completed an MBA at UCT and won the prize for the best student in marketing, echoing earlier academic excellence. When specialising in psychiatry at the University of the Witwatersrand he won the Louis Franklin Freed prize for the best student in psychiatry.

He was appointed director of the Institute for Retail Studies at the beginning of the year and also runs a management consultancy.

The Institute maintains a link between retailing and the academic community and initiates and co-ordinates research in areas of interest to the retailing industry.

They were extremely convenient and also provided services such as selling perishable goods available in areas where the average home had no refrigeration facilities.

The total annual turnover of these spazas had been estimated as greater than the combined turnover of the large grocery chain stores, although some bought their produce from these stores.

"They fulfil an enormously important role, but they are not recordable and no benefit is gained by the State through taxation.

"They also provide formidable competition for the formal retailers, but as long as the transport problems remain and the recession continues to bite they will continue to proliferate," said Dr Bromfield.

Consumers using these spazas were highly brand-conscious, equating brand names with quality.



Joyce Tsotetsi, a mother of four, has been left in the lurch by her employer, Spareco.

Spareco to fire all 683 staffers

By COLLETTE CAINE

7/10/90 335 16

SPARECO, a motor spares group liquidated earlier this week, is to dismiss all 683 staff members in a move described as "totally inhuman" by one senior manager.

Sources said all staff would be notified through the post this week that they had been dismissed with effect from October 1.

Salaries have not been paid since the third week of September, leaving monthly paid staff without September or October pay.

Last week several hundred Spareco workers demonstrated outside Trust Bank in downtown Johannesburg when the bank refused to cash their salary cheques.

Trust Bank said there was not enough money in the Spareco account to meet the R1,3-million salaries bill.

Provisional liquidators Westrust are said to be adding staff salaries and wages claims to the list of Spareco's more than 2 000 creditors.

Prior to liquidation, the banks involved – Bankorp, First National Bank, International Bank of Johannesburg and Alpha Bank – obtained a court order freezing Spareco's assets and preventing further trading.

The banks appointed financial consultant Reuben Miller who instructed Spareco staff to continue working and assist with stock taking. Staff were told in a letter from Miller that if they did not work, they would be dismissed and lose all their benefits.

Senior staff members claim Miller's fees are in excess of R1-million, and that the stock take was unnecessary as an audited stock take had been conducted six weeks before banks obtained the court order.

Senior staff say an accurate reflection of stock could have been obtained within two days based on the audited figures plus computer records. They claim this advice was ignored by Miller.

Two proposals to buy Spareco – one by Cayman Islands-based Lakewood Corporation which is said to have close links with Spareco director Chris Sladden, and a later one by a consortium of investors including Vaaltrucar and IGI – have been withdrawn.

Liquidators Westrust announced they are open to offers for Spareco until Friday, but the announcement has done nothing to ease staff anxiety about the future of the company.

Senior managers are questioning the dismissal of all staff members if there is any hope of salvaging Spareco.

"Why dismiss everyone in this cold, impersonal way – without even calling a meeting to explain the situation – if there is any hope of a future?" asked one manager.

In a show of solidarity between black and white staff, workers at branches throughout the country have been reporting for work and holding daily consultations. A mass meeting is planned for this week to discuss the dismissals.

Unemployment warning sounded

By Des Parker

DURBAN — Conditions in some sectors of business are worse than those in the severe recession of the mid-Eighties and resultant unemployment and unrest could destroy current peace initiatives, says a leading Durban industrialist.

Natal Chamber of Industries chairman Brian Wallett told guests — including State President F W de Klerk — at the chamber's annual banquet at the weekend that maintaining real rates of interest at their current high levels in the fight against inflation was having a major impact on the economy.

He appealed to Mr de Klerk and his economic advisers to take heed of the signals coming from business.

"The monetary measures

(high real interest rates) still being applied to bring down inflation and to cool the economy are doing precisely that," he said.

"To my mind, the greatest threat we face is unemployment, which is increasing because of the effect on companies.

"It is on the fertile grounds of unemployment that township violence has been able to flourish and the continuation of unemployment is going to bedevil the various peace initiatives around the country."

It was the consensus in business that demand for goods and, consequently for credit, was having little or no effect on price inflation.

Mr Wallett referred the State

President to recent gloomy forecasts by company spokesmen and financial institutions of the consequences of maintaining the prime overdraft rate at 21 percent when inflation in the retail and manufacturing sectors was declining.

Nevertheless, he said, business supported the tough stand of the Reserve Bank on inflation, believing that this could be the last opportunity this century to cure it before more pressure was exerted on prices by the high, and perhaps unrealistic level of expectation among deprived sectors of the population.

Mr Wallett appealed to trade unions to moderate their wage demands, reminding them that excessive increments pushed up costs of production and reduced the competitiveness of all-important exports.

Conciliation board for Gant's workers

Star 19/10/90



CAPE TOWN — Mass firings on a Somerset West estate owned by DP national chairman David Gant have resulted in a successful application for a conciliation board by five of the sacked workers.

Confirming this yesterday, Stellenbosch attorney Glyn Williams said the workers, formerly employed in a sawmill on Mr Gant's estate, claim they were summarily and unfairly dismissed.

The workers and about 400 colleagues were fired in May after a three-day strike, demanding that Mr Gant

negotiate with an elected committee on wages and conditions of service.

All but 69 workers were subsequently reinstated.

The former sawmill workers are deemed to be factory workers in terms of the Labour Relations Act and have access to the Industrial Court, Mr Williams said.

A separate Supreme Court action is being prepared for the reinstatement of the remaining workers.

Mr Gant was not available for comment. His attorney, L Blignaut, refused to comment — Sapa.

Boycott threat

South 11/10/1 - 17/10/90

BOYCOTT action against suppliers of red meat is looming as a dispute, involving about 300 dismissed workers at Cape Slaughtering in Maitland, remains deadlocked.

A bid by their union, the Food and Allied Workers' union (Fawu), to send a "high-powered" delegation to meet the firm's management on Friday, has been rebuffed.

A spokesperson for Cape Slaughtering confirmed that a request for a meeting was not acceptable as it had "arrived too late" and because a court matter was pending next week. The workers were dismissed On August 1 after a dispute over back pay. The dispute originally arose in April this year when the workers had gone on a "go slow" strike and Cape Slaughtering sued them for lost production.

The union said the workers had been dismissed in an "arbitrary and dictatorial manner".

"From all accounts, the company seemed to adopt an anti-union stand.

Apart from the delegation, the union's strategy is to brief fraternal organisations, affiliates and other organisations to "elicit various forms of support" and to discuss a possible red meat boycott if the dispute is not resolved soon.

The spokesperson for Cape Slaughtering said the dispute was "irretrievable".

"Discipline among the workers had broken down completely and their relationship with the firm deteriorated to such an extent that I don't think a solution can be found."

taken. (12/10/90)
In addition, Numsa and MBSA restated their commitment to the recognition agreement and to the use of negotiation structures to resolve disputes.

Jobless on march in Cape

A NEW round of consumer boycotts is on the cards if the authorities do not respond to the demands of unemployed workers who are marching in several southern Cape towns this weekend.

A spokesperson for the Western Cape Unemployed Workers' Union (Wecuwu) said the march would be to the Department of Manpower offices in George and Knysna on Friday and in Plettenberg Bay and Beaufort West on Saturday.

He said the marches were a follow-up to previous demonstrations in support of Wecuwu's demands.

Institutions just waiting to pounce

SOME prices moved up, some moved down — but nobody bought or sold. It was all very quiet with just the wash of institutional funds lapping in the distance — loud enough to seriously disturb brokers who are now having to contemplate the prospect of retrenchment.

In what seemed like a fairly desperate attempt to provoke some enthusiasm, Myles pointed out that institutional investors are currently building up considerable cash reserves.

This means that as soon as the market turns up, and the first of the sheep come back to the market — prices should move up dramatically.

But in the nearer-term, given the grim outlook for industrial company results, only the most hardened contrarian would be an enthusiastic buyer of equities.

Then there's the ongoing Middle East crisis which has done nothing for gold or any of the other precious minerals. Myles hears talk of some Iraqi bank trying to sell a few billion dollars of gold — not the sort of rumour that will get gold soaring to new highs.

And as if that wasn't bad enough, there's speculation of another petrol price hike this weekend. And air fares about to go up — again. All very very grim.

Sasol is seeing some benefit. Apparently it's being punted among London investors who seem quite keen.

Myles wondered if anyone had seen Digoco's results. They were released in one of the Afrikaans papers last Saturday — a move which seems designed not to excite too much response from investors. He can't remember the details but thinks some size of a loss was reported.

Some news about the assets that are being injected into Furntech should be released this week.

Apparently Vivian Imer-

Inside Out

ANN
CROTTY



man will not be involved in the Graham Beck-led consortium that's buying out Union Wine. Of course no one ever said for certain that either he or Royal Corporation would be involved — but there was some speculation — now it seems he won't be in the deal.

There should be some reasonably firm news on the Spareco front, next week. The major creditors are due to have a meeting on Wednesday to discuss the various offers that have been made to the liquidators — leading the list is the one from Vaaltrucar. But there are others.

It seems ages since anything's been heard from Peggro — almost three weeks since the talks with Tradegro were terminated and still no news of a new acquisition target. Has Mr Wiese finally come to terms with having so much cash? Myles reckons that the next target will be something like Frame ... interesting thought.

Talking of which, if Peggro and Tradehold had got together, the latter's Fraser subsidiary would have provided a nice outlet for Peggro's blankets — this could have hurt Frame.

It looks as though Gants is still out of favour. Myles says he's heard something about the disposal of one of their factories.

No news about the Fedfood deal. Myles is quite certain it relates to the disposal of the group's local and Namibian fishing interests. Apparently they're being sold to an unlisted company that is getting some funding from an overseas party.

And then there's De Beers. The slide continues, with talk of it going to as low as R53. Did somebody mention R135?

Old-timers face the sack

By CHARLES MOGALE

THE Soweto Council is on the brink of a major workers' crisis following alleged threats to retrench workers in a bid to save money.

Discontent swept through the council's offices this week as workers threatened to take "major steps" should the council retrench workers.

A spokesman for the workers, who asked to remain anonymous for fear of reprisals, said heads of different departments had unofficially told old staffers they would have to take early pension, or be dismissed - to save running costs.

In another swift move, the council withdrew telephone lines from employees, making it impossible for them to make outside calls.

The spokesman said: "Strange that the council should be hiring thousands of so-called information officers, who are nothing but informers. These people

draw a salary, but they do nothing but roam around. This gives credence to our belief these officers were promised jobs if they voted the Sofasonke Party into power."

He also questioned the "locomotion" allowance paid to white staff, believed to be R2 000 each.

"These gentlemen are paid that massive amount just for using their cars to drive to work. Why not fire them?"

"Why not give houses in Soweto to the residents, which would inevitably lead to improvement in the township - and make it unnecessary to have township managers roaming around looking for leaking roofs and burst pipes?" he said.

Attempts to reach mayor Sam Mkhwanazi and town clerk N Geers were unsuccessful. The two were said to be in different meetings and could not be reached at their homes.

Ailing canning giant to close Strand factory

1260-5
5/10/90

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By VIVIEN HORLER
Staff Reporter

GANTS HOLDINGS, the ailing canning giant, is to close its factory at the Strand, putting about 1 200 people out of work.

Already a number of people have been paid off. The factory, which has been operating since 1955, will close finally on June 1 next year.

Mr Alf Robinson, managing director of Gants Holdings, blamed sanctions and overseas boycotts, high interest rates and the inflation rate, and the cost of selling to local markets, for Gants' poor performance lately.

Hitting out at the local market, he warned that the trade could find itself dealing with a monopoly if it continued with punitive trading practices.

Exports, which accounted for 50 percent of the company's business, had been hit hard by sanctions and boycotts, and the blow to the overseas market had been a major factor in the company's present situation.

The company, which was taken over by Tollgate Holdings last year, will concentrate its efforts in the Transvaal and Swaziland. Last year Gants closed down its factory in Kwazulu. Its factory in Transkei is due to close next month.

FINAL DETAILS

Bewildered workers at the plant, one of the Western Cape's major employers, were expecting to hear final details later this week.

Although turnover for Gants Holdings rose to R193,3 million last year, operating profit fell to R14,6 million. Gants' interim results for the six months to June showed a loss of 5,7c a share, down from earnings of 9,2c at the 1989 interim.

Mr Ernest Wilson, new president of the Cape Chamber of Industries, said he had heard the news with "deep regret".

"The decision is deplorable in terms of the job losses, but it is symptomatic of the current economic situation. This is another blow to Cape industry which is really struggling to find jobs for its unemployed at

a time of increased urbanisation."

Some of the Strand workers will be moved to the Transvaal, but most will be retrenched. Mr Robinson said: "I feel devastated. Some of the people here have worked for Gants for 30 years and more. They know only about canning. They have worked long hours, through weekends; they are tremendous people."

He described the retrenchment package as "fairly good". "In the light of the current cash flow of the company, we are paying more than we can afford. We are going to have to borrow money to pay for the package."

It opened in Hong Kong today

depress sales for the industry, the major user

Gants to lay off 1000 workers

CAPE TOWN — Gants Foods, the Strand-based canning company whose products have been known to numerous South African households for nearly 60 years, will be laying off about 1000 seasonal workers by the beginning of next year.

The closure of the company's deciduous fruit canning operation was the result of sanctions, a shrinking export market and high domestic interest rates, a director said yesterday.

Gants Foods (Pty) Ltd is a subsidiary of Tollgate Holdings.

Negotiations on retrenchment procedures and benefits were concluded with unions on Friday.

The closure will be finalised before next year's canning season and is likely to have serious economic and social repercussions for lower income families in the region.

The management

source said the closure did not affect the meat and vegetable divisions, though the vegetable canning operation was to be moved to the Transvaal and Swaziland.

Axed employees were assured of their normal notice, Christmas bonus and severance pay.

According to the management source, foreign deciduous fruit buyers paid less for local produce sold outside the mainstream foreign markets because of sanctions and boycotts.

High internal holding costs, compounded by rising interest rates, added to the company's losses and its inability to compete on world markets.

Weekend press reports claimed Gants ran a trading loss of R3,41 million in the first six months of the current financial year, against profits of R5,53 million in the first half of last year.

This was after turnover dropped by 48,2 percent to R67 million. — Sapa.

Youth to remain destabilising factor, warns Kane-Berman

DURBAN — Black youth would remain a destabilising factor in SA as unemployment soared and black education became a disaster area, it was forecast yesterday.

SA Institute of Race Relations executive director John Kane-Berman put forward that conclusion when he spoke at a Bifsa conference in Durban yesterday.

Analysing the violence of black urban youth, Kane-Berman quoted Urban Foundation statistics showing there were 4,3-million blacks between the ages of 10 and 24 in the cities, compared with 3,5-million in 1985. (335)

"Black youth is growing at a rate of about 165 000 a year in the cities," he said.

"Very few of these are studying or working. According to some estimates more than half of all unemployed black people in SA are under the age of 30."

SA needed to provide about 1 000 jobs a day for these first-time entrants into the labour market. But the economy was growing at only half

CHARLOTTE MATHEWS

the rate of population growth.

Many people believed the informal sector would come to the rescue, Kane-Berman said. Without the informal sector the condition of many people would be desperate.

"It is survival entrepreneurship."

He said black education in SA was becoming a disaster area. Between one third and one half of all blacks of schoolgoing age had either dropped out of or never attended school because of poverty, boycotts and teacher strikes.

Government spending on black education had risen by 6 000% in the past 20 years from R70m to R4 000m a year. But there were still very few black university entrance passes in subjects such as mathematics and science.

Kane-Berman predicted that as the tools of armed struggle and international sanctions had become less powerful for the ANC, mass mobilisation would intensify.

Concern over Strand factory closure

CH 1 744
16/10/90
~~235~~ Staff Reporter

THE closure of Gant's Foods fruit canning section at the Strand will affect the poverty rate and exacerbate social problems in the area, according to the Food and Allied Workers' Union (Fawu).

Spokesman Mr Stephen Edson said the closure of the factory was a "big problem" for the almost 900 workers employed, as other jobs were extremely scarce.

Strand mayor Mr Dormehl Vosloo said the closure would be "very, very bad" for workers.

A company director, who could not be named, said workers who chose to move to the meat and vegetable canning sections in the Transvaal would remain employed by the company.

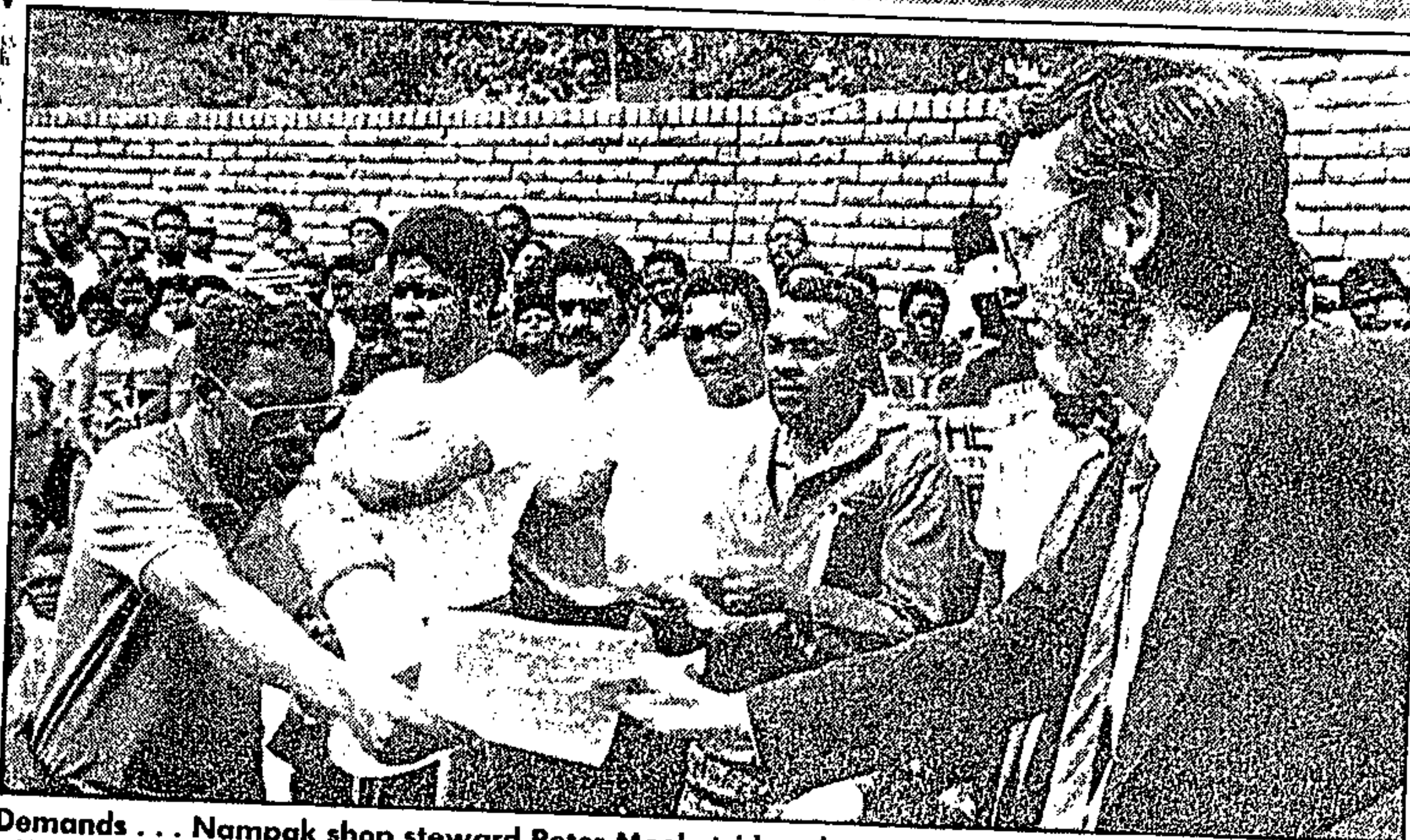
He said workers would be given full benefits.

The director said sanctions and boycotts had closed the traditional European market which led to heavy losses in income.

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VS



Demands . . . Nampak shop steward Peter Moeketsi hands a memorandum to Barlow Rand public affairs general manager Ken Ironside.

● Picture by Jacob Rykliff.

3 000 march on Barlow Rand

In the biggest Cosatu demonstration yet against company practices of the Barlow conglomerate, about 3 000 workers from Barlow Rand-owned companies marched on the company's head office in Sandton yesterday.

Nampak shop steward Peter Moeketsi handed over a memorandum of demands to Barlow

Rand public affairs general manager Ken Ironside.

Dismissed and striking workers belonging to the National Union of Metalworkers and the Paper, Printing, Wood and Allied Workers Union (Ppwawu) demanded their reinstatement. Mr Ironside refused to open the office gate to workers.

The memorandum included

demands that Barlow Rand intervene in the current Nampak strike and ensure that management there negotiate with Ppwawu; the reinstatement of four workers dismissed by African Telephone Cables in Brits; and reinstatement of 415 workers dismissed at Barlow Kew.

Mr Ironside promised to respond to Cosatu next week.

335

Star 18/10/90

'Alarming' shortage of skills in SA

DURBAN — South Africa would have a deficit of more than 500 000 skilled workers by the year 2000, executive director of The Education Foundation (TEF) Johan van Zijl said in Durban yesterday.

He told the Building Industries Federation of South Africa (Bifsa) annual congress that skilled categories included professional, technical, highly skilled, executive and managerial groups.

By contrast, the country would have an unemployed surplus of 2,7 million unskilled workers.

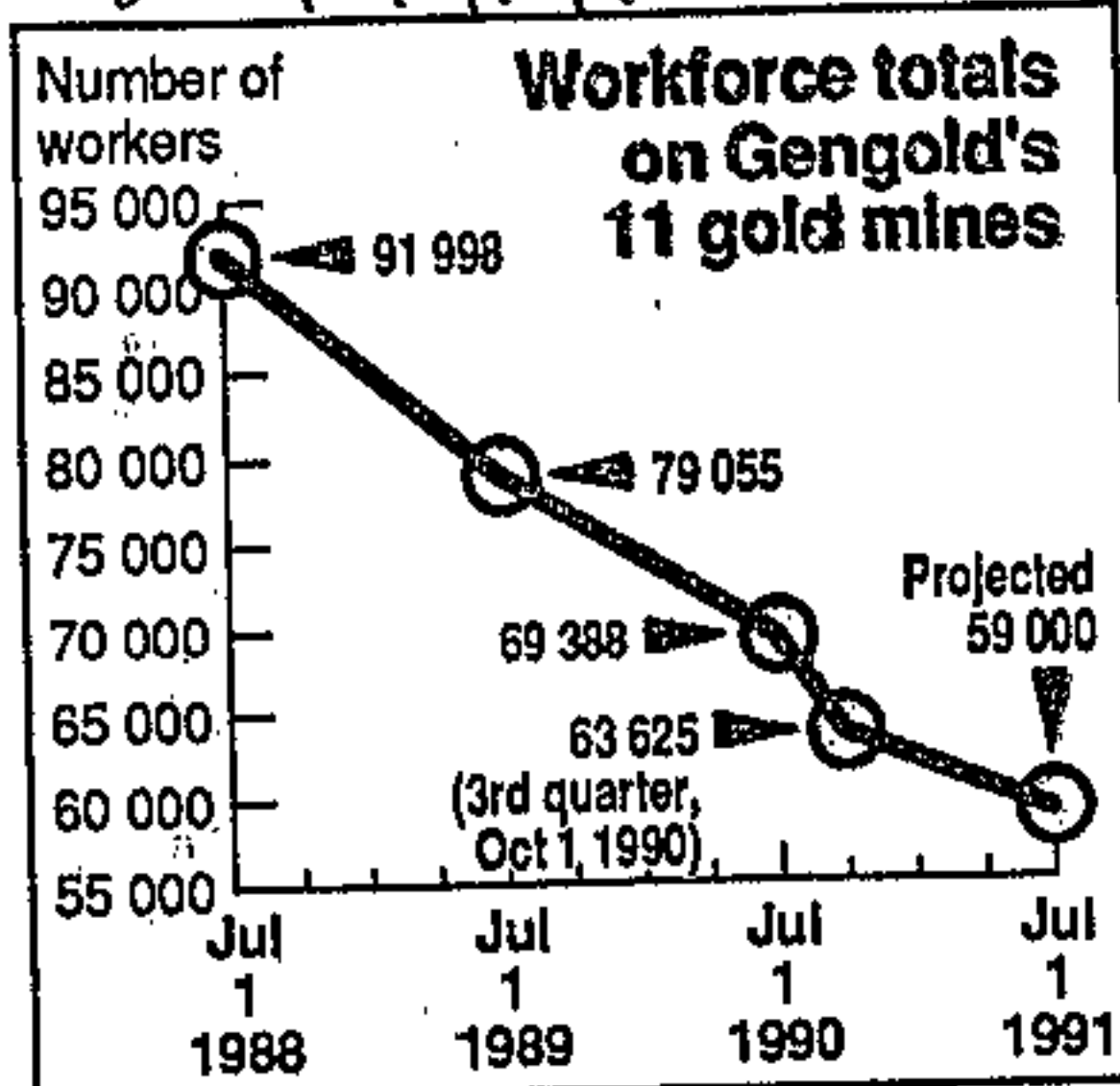
"These figures confirm an alarming shortage of skilled manpower which will seriously inhibit the economy's growth performance unless appropriate policies are developed and implemented," Dr van Zijl said.

Identifying the school dropout rate as a major factor in the over-provision of unskilled labour, he said a quarter of black pupils did not progress beyond Grade I. — Sapa.

10 000 facing retrenchment

Blom 18/10/90

MATTHEW CURTIN



THE spectre of large-scale retrenchments on SA's gold mines continues to haunt mining houses as the weak gold price and rising working costs jeopardise the industry's profitability.

Gengold CE Gary Maude yesterday said his company faced retrenching 10 000 more workers from its 11 mining operations if there was no sustained revival in the gold price.

The mining group, which yesterday reported a further slide in the consolidated profits of its 11 mines for the September quarter, cut jobs at an average rate of 2 875 a quarter in the 18 months before July 1990,

□ To Page 2

Retrenchment

and 5 790 mineworkers lost their jobs in the third quarter this year.

In the same 18 months, retrenchment rather than natural attrition accounted for 60% of the job losses. In the most recent quarter, retrenchments accounted for 83% of job losses.

Gengold has reduced its gold mining workforce by 31% since July 1988 — its number of miners falling from 91 998 to 63 625 by September 30 this year.

Maude said labour costs contributed 45% of all working costs and the 15%-17% industry pay award this year added an average 7% to total costs during the third quarter this year. The mining group reported a 34% drop in working profit.

He said retrenchment costs since July stood at R11,8m. This was "worthwhile expenditure" in the rationalisation of oper-

ations which were in a "survival phase".

He said if gold steadied at a plateau of \$420, Gengold would enlarge its workforce.

Anglo American gold and uranium division spokesman Adrian du Plessis said should the National Union of Mineworkers (NUM) and Anglo agree over draft proposals on retrenchments at the Freegold South mine, more than 3 000 workers would lose their jobs. Anglo originally proposed job cuts of 7 800 workers and the two sides met yesterday to consider latest proposals.

An NUM spokesman said yesterday 32 000 jobs had been lost on gold mines so far this year.

He said the union did not expect a rise in the price of gold would prompt significant re-employment on gold mines.

© Gengold results: Page 8

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● 10 000 jobs at risk — Page 23.

Another 10 000 jobs at risk on Gencor mines

By Derek Tommey

The low gold price and rising costs are still threatening employment in the gold mining industry.

Although some 17 000 people have been retrenched at Gencor's gold mines in the past 27 months, a further 10 000 jobs in the group are still at risk, says Mr Gary Maude, managing director of Gengold which operates the group's mines.

Among the people whose jobs are on the line are the 2 467 employed at the Grootvlei mine which made a working loss of R6,5 million in the September quarter and is in danger of having to close.

Mr Maude said it had been a difficult quarter for the group. The 15-16 percent pay increases which took effect from July 1 added some seven percent to mining costs. Several mines had also made large retrenchment payments which were included in their working costs.

"We have to do everything we possible can to keep the mines going," he said.

In these trying circumstances it is a tribute to Gengold's management that seven of the group's 11 operating mines increased their profits after tax in the September quarter.

Stilfontein was one of these. Although the working loss rose fractionally from R3,83 million to R3,97 million, the mine was able to report a taxed profit of R10,3 million (loss R938 000) as a result of a R15 million dividend from its wholly-owned subsidiary, Chemwes. Stilfontein bought Buffelsfontein's 20 percent interest in Chemwes

during the quarter for R10 million.

Buffelsfontein was one of the mines that did not increase its profit in the September quarter. In fact it even had a working loss of R748 000, compared with a working profit of R16,2 million in the June quarter.

The working loss was the result of a drop in production and an increase in working costs.

But in spite of the working loss the mine was able to show a taxed profit of R15,4 million (R18,7 million) for the quarter mainly as a result of sundry income, which included the R10 million from the sale of Chemwes, jumping to R15,4 million (R6,4 million).

Mr Maude said he was concerned about Grootvlei. The mine had a working loss of R6,5 million in the September quarter after a profit of R1,2 million in June.

Bracken, which is to be closed, had a working income of R529 000 (R2,16 million) for the quarter and a taxed profit of R2,9 million (1,8 million). It was intended to keep the mine profitable until it is closed, said Mr Maude. About half the shaft pillar had already been removed with little damage to the shaft.

West Rand Cons continued its recovery with a working income of R455 000 against a loss of R567 000 in June. Taxed income was R640 000 (R102 000).

One increased dividend, one unchanged and three reduced dividends have been declared by Gencor group mines. Kinross is paying 165c a share against 160c six months ago and 150c a year ago. Winkelhaak is paying an unchanged 150c making an unchanged 315c for the year. Unisel is paying a final dividend of 26c making 70c (105c) for the year. Bracken is paying 25c against 30c six months ago and 30c a year ago. Leslie is paying 20c against 40c six months ago and 40c a year ago.

The opening of more faces at the mine has given it greater flexibility.

Development results at No 10 Shaft at St Helena had been better than expected, said Mr Maude. Stopping had started at the shaft and it should be in production by the middle of next year. St Helena had a working income of R4,1 million (R6,1 million) for the quarter and an attributable profit of R10,1 million (R8,7 million).

Increased costs and a drop in the gold price cut Winkelhaak's working profit from R38,2 million to R30,0 million. The mine plans to spend R42 million in the next six months in the No 6 shaft area.

Leslie is developing the "northern area" where the values are some 30 percent better than in the rest of the mine. It had a working income of R749 000 (R1,82 million) for the quarter and a taxed income of R3,0 million (R2,1 million).

Kinross had a working income of R29,0 million (R37,6 million) and a taxed profit of R19,0 million (R17,5 million).

Unisel earned R9,5 million (R11,4 million) and had a taxed income of R11,4 million (R8,9 million).

Beatrix had a working profit of R32,4 million (R37,6 million) and a taxed profit of R15,0 million (R17,0 million).

A 20c union of the unemployed 335

A 20c joining fee and monthly union dues of 10c — what could more poignantly highlight the plight of the jobless?

At its recent second national conference, these miniscule sums were what the National Unemployed Workers' Coordinating Committee (NUWCC) decided to charge its members.

Scattered, demoralised and powerless, South Africa's unemployed millions are a daunting target for any organiser. In a conference resolution, the NUWCC admits as much. It stresses that in its three-year lifespan, it has drawn limited numbers of unemployed and had little impact on the state.

But the levying of dues is a tiny step towards empowering the powerless — through the creation of a trade union for the unemployed. It will, says NUWCC general secretary Sphiwe Ximba, pave the way for affiliation to the Congress of South African Trade Unions next year.

Before then, the 70 conference delegates decided, the NUWCC will have been transformed from a loose grouping of about eight regional unemployed workers' organisations into a national body.

The tragic irony is that although the NUWCC was set up as a project of Cosatu, its potential membership is many times greater than that of its parent. NUWCC media officer Barry Levinrad believes that if seasonal, casual and part-time workers are included — as well as

After three back-breaking formative years, a Cosatu project for the unemployed is set to be launched as a national union.

DREW FORREST reports

the workless township youth and the effectively unemployed in the informal sector — up to 20-million South Africans may be out of work.

What can a union for the jobless achieve? Levinrad believes it can play a role in guiding the unemployed, many illiterate, through the "jungle" of Unemployment Insurance Fund (UIF) legislation, and in offsetting the psychological ravages of unemployment. "You can't exaggerate the strength that comes through unity," he says.

But through campaigns, the NUWCC has broader ambitions: to reshape government employment and welfare policies.

Its primary push is for "jobs for all at a living wage", believing only massive state intervention can achieve this. Pouring scorn on state deregulation policies, an NUWCC discussion document argues for a public works programme, particularly in the area of low-cost housing; large-scale retraining for the retrenched; a state-backed co-operative sector and proper welfare for those who cannot find work.

Shorter-term campaigns have centred on UIF — demands include a Cosatu say on the unemployment insurance board and UIF cover for domestic, seasonal and farm workers — and price control on basic foodstuffs.

On the broader political front, the NUWCC aims to harness the jobless to the broader drive for change. Its conference adopted Cosatu's political policy and, significantly, upheld sanctions against South Africa. "Structural unemployment predated sanctions," argues Levinrad. "And we believe unemployment can only be seriously addressed in a democratic state."

And under the slogan of "Employed and unemployed unite!", it also seeks to educate the jobless not to "scab" during strikes.

Despite the obstacles, Ximba and Levinrad believe there is growing consciousness and activism among the unemployed.

A key goal is now to shift campaigns from the regional to the national level, taking advantage of the NUWCC's foothold in both the communities and the labour movement.

To this end, conference delegates agreed to integrate campaigns with those of Cosatu — UIF demands could, for example, be incorporated in the federation's living wage push — to stage a campaigns conference and to seek the support of the international community.

Fears of large-scale retrenchments as new broking giant emerges on JSE



● SHAPIRO

STOCKBROKING firms Frankel Kruger Vindertine and Max Pollak & Freemantle are to merge to form what is believed to be the JSE's largest broking firm.

The merger itself is not unexpected as last November. But the number of expected retrenchments, anything from 100 to 150 according to floor rumours, has sent shock waves through Diagonal Street.

The move comes in the wake of tumbling JSE turnovers amid steadily rising working costs which have forced a number of retrenchments and cutbacks in the industry in recent weeks.

8/Dec 19/10/70
SYLVIA DU PLESSIS
and MERVYN HARRIS

Speculation is that staff members of both firms, and senior people such as directors and analysts, could lose their jobs.

The merger talks, described by a member of one of the firms as an "irreversible economic decision", were confirmed yesterday by Max Pollak's senior partner David Shapiro, who declined to elaborate, and Frankel Kruger's MD Sidney Frankel.

Frankel, who market sources are punting as MD of the new firm with his father Leslie as chairman, said nothing had been

finalised yet, but a formal announcement would be made on Monday.

He dismissed claims from sources that up to 150 retrenchments could be involved because of possible job duplications. "Obviously there will be rationalisation, but we're not that far down the line yet."

Frankel said he did not know when the merger would become effective, but sources believe it could be by November 1 as the news had been "leaked" and could "confuse" clients.

Competitors say Max Pollak relies on private clients rather than institutional business and has been slow to adapt to

market changes in fields such as options and futures. It has recently retrenched staff and has not been paying bonuses.

For the market as a whole, the lack of institutional demand for shares has put many firms under pressure and Frankel Kruger and Max Pollak are no exception.

Frankel Kruger is reckoned to employ a higher proportion of "fifty percenters" — partners who split their commissions equally with the firm — than any other major broking house.

As competitors say, that is fine when business is booming, but when turnovers

□ To Page 2



● FRANKEL

Eskom jobs are on the line

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240
335

HUNDREDS of employees at Eskom's Camdon, Grootvlei and Komati power stations fear for their jobs as the power giant steps up its economy drive.

Units have been closed at all three power stations.

An employee said Eskom has given notice of its intention to close the three stations.

But chairman John Maree told the Sunday Times: "We have made no decision yet. We do have excess capacity and we have to manage it by closing certain units until demand picks up."

"We are considering the closure of smaller, older power stations on an ongoing basis. These three stations are smaller and older than other units but we are still considering the matter."

Anxiety runs high after Eskom announced tariff increases of only eight percent this week. The increase was six percentage points less

Sunday Times Reporter

than the inflation rate. Eskom has 50 percent more capacity than it needs.

The government has obliged it to hold its price increases under the inflation rate for the next three years, partly because it does not need to start building power stations for another five to 10 years.

Eskom has already closed the Highveld, Taaibos, Hex River, West Bank, Umgeni, Colenso and Vaal stations. It has reduced its work force from 66 000 to 50 000 in the past four years.

Johan van den Bergh, general manager services, said as some power stations were mothballed, other stations were opening. People were being retrained and re-deployed. Not everyone working at mothballed stations was threatened with retrenchment.

● See Business Times

Storm brews as company re trenches union leader

By Brendan Templeton

The president of the 40 000-strong Chemical Workers Industrial Union (CWIU), Calvin Makgaleng, no longer has a job — he has been retrenched by his employers, Liquid Air.

This has sparked off a bitter row between his union and the French multinational, with the union accusing management of union bashing and the company threatening to sue the union and anybody who repeats its allegations.

CWIU spokesman Meshack Ravuku said in a statement that

Mr Makgaleng was retrenched after being with the company for 13 years.

Liquid Air is remaining tight-lipped. A company spokesman was not willing to discuss the union's allegations further than referring to a lawyers' letter.

The letter said the company regarded the matter as sub judice because it had been referred to arbitration.

Mr Ravuku said wives of retrenched workers would hold a demonstration outside the company's head office today, "where they will be showing their anger".

FORMATION TECHNOLO

Tough competition sees PDS lay off half its staff

ALMOST half of Malbak company Protea Technologies' division Protea Data Systems' (PDS) 90 staff members will be laid off within the next few weeks. Most, in fact, have already gone.

This is because of fierce competition and small growth in demand for PC products, Malbak's Hugh Brown says. (335)

Brown says all options are open now with regard to PDS's future.

"We're not closed to notions such as a management buyout," he says. Bidang 25/10/90

PDS's contribution to Malbak Group turnover is very small. Brown says the group's entry into the PC market seemed a good idea at the time because of massive projections that were made for the industry's growth during the late 1980s.

"Growth was grossly overestimated, and hasn't materialised. At last count, we found about 35 distributors in the market which are doing precisely what PDS is doing," he says.

PDS has local distribution rights for Taiwan's top-selling PC range, Acer, as well as Star and Data-products printers.

Acer representatives will be in SA soon for discussions about the distributorship's future in SA.

There have also been retrenchments at Protea Technologies' division Protea Electronics in line with shrinking market demand.

By CHIARA CARTER
A CAMPAIGN

launched by Cosatu in the Western Cape this week could signal a new wave of industrial unrest on the labour front.

In addition to Cosatu flexing its muscle in support of its members, the ANC, SACP and UDF have expressed solidarity with the

Cosatu set to hit industry

South 25/10 - 31/10/90

campaign to support widespread job losses and strike action in a range of industries and fight

mass stayaways, stoppages, demonstrations and product boycotts.

It takes place against a backdrop of spiralling retrenchments, dismissals and lockouts which have left thousands of workers facing a bleak Christmas.

On Wednesday, shop stewards met with employers at a range of companies to discuss reinstatement of dismissed workers, the lifting of lockouts, workers' demands for centralised bargaining and a threat of blacking action against companies identified as "union bashers".

Cosatu regional secretary Ms Lucy Nyembe said the federation had noted organised workers were "under attack" from employers.

"Mass dismissals, lock-

outs, retrenchments, short-time, court interdicts, police harassment and arrests are the order of the day," Nyembe said. "As a federation we will defend all our members."

ANC spokesperson Mr Reggie September said the organisation would work out ways of assisting in the campaign.

Whites replace black workers after strike

235

By DESMOND BLOW

A PIETERSBURG window-and-door-frame factory owned partly by Transvaal administrator Danie Hough's wife has fired all its black employees and hired whites to do their jobs.

The whites are earning exactly the same wages as the former employees.

Danie Hough had been a director of the business, NTY Staalwerke, since the 1960s, but last year his wife Mignonette, 49, and Klaradyn Booyens, 37, took over his share of the company with R100 capital, renaming it NTY (Lebowa) CC.

Seven months after the new owners took over, the 80-odd black employees were told they would have to work a four-day week with reduced pay. When they objected, they alleged four of them were fired.

The rest of the black workforce then went on strike and were summarily dismissed a few days later.

None of the black employees, some of whom have been with the company for more than 26 years, have found other employment.

Factory manager Peter Quin says if the black employees want to return, they can apply for their old jobs at the same wages.

He adds that not all will be successful with their applications as many of their jobs have already been filled by whites.

However, he admitted that many of the white employees were not up to the standard of the former black employees.

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Factory manager Peter Quin says if the black employees want to return, they can apply for their old jobs at the same wages.

He adds that not all will be successful with their applications as many of their jobs have already been filled by whites.

However, he admitted that many of the white employees were not up to the standard or as reliable as the blacks.

"About half our white employees are from special schools," he said, "which means they are not as efficient and they are also prone to industrial accidents. The staff turnover among whites has also been high."

Quin blames Nactu for the loss of jobs.

"When I expressed concern that men with long service would be left destitute, Theo Ramalama of Nactu, who is representing the fired workers, told me that millions were without jobs and that 80 more would not make any difference."

The union denies Quin's version. It maintains the workers only went on strike when four employees, one a shopsteward, were arbitrarily fired.

Pietersburg attorney Jan Stemmet, who represented the factory in talks with the union, said there was a certain amount of truth in the stories of Quin and the union.

He said workers were told the factory had either to cut down on the hours worked or people would have to be retrenched.

He said the workers refused to work shorter hours.

Stemmet said the four workers were not fired but retrenched, because that was the only alternative to working shorter hours.

He also denied the four had been retrenched because of their connection with the union, and were regarded as troublemakers by the owners.

Liquid Air explains retrenchment of 15

LIQUID Air said yesterday its retrenchment of 15 employees was dictated by economic circumstances and a rationalisation of operations.

"The company meticulously observed all the recognised procedures required by fair labour practice in its implementa-

tion thereof," its statement said.

Liquid Air said it had been reluctant to debate the matter publicly as, in agreement with the Chemical Workers' Industrial Union (CWIU), the dispute was to be determined by private arbitration.

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The union had been consulted on all aspects of the issue, including the selection of people to be retrenched. Neither CWIU president Calvin Makgaleng nor any of the other retrenched employees, were identified by reason of CWIU membership, it said.
— Sapa.

Concern about SA jobs after Philips announces cutbacks

MATTHEW CURTIN

WORKERS at Philips SA might face large scale retrenchments after the Dutch international company's announcement last week that between 35 000 and 45 000 jobs worldwide would go by the end of 1991. Confederation of Metal and Building Unions (CMBU) chairman Ben Nicholson said at the weekend that while the company had yet to inform unions of any job cuts, Philips SA had closed its Johannesburg training department last week without warning. CMBU affiliate, the Radio, Television and Electronics Workers' Union, was given no reason for the closure. The CMBU was concerned because Philips SA had been a leading proponent of training in the electronics industry. Nicholson believed Philips SA, which employed 2 500 people, was on the verge of "drastically" reducing its television manufacturing operation as part of the international company's relocation of this sector to

Brazil.

In reports last week, Philips president Johan Timmer said the company, after its third quarter results, showed a R2,6bn loss.

This compared with a R30m loss in the first six months of the year and a R400m profit in the first nine months of last year.

The company has blamed an international slump in its business, which has prompted radical restructuring and job losses amounting to 16% of Philips' 286 000-strong international workforce.

But in August, Philips SA MD Frank Touwen said operations were profitable here and he expected no "mass retrenchments".

The company did cut working hours at its Martindale plant in June.

Philips SA chairman Frank Manders is expected to comment today.

BIP 29/10/90

Too early to assess job cuts Philips SA

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MATTHEW CURTIN

PHILIPS SA was involved in a radical cost-cutting programme but it was too early to assess the implications of its Dutch parent's announcement of worldwide job cuts last week, SA company chairman Frank Manders said yesterday.

Manders said Philips SA was "trying to reduce costs drastically by working more efficiently".

Philips International president Johan Timmer said last week 35 000 to 45 000 jobs worldwide would go by the end of 1991. The company recorded a R2,6bn loss after the first three quarters of this year.

Manders denied there was any truth in the suggestion made last week by Confederation of Metal and Building Unions chairman Ben Nicholson that Philips intended cutting back its television manufacturing operation in SA.

He said the company had scrapped an in-house apprenticeship training scheme recently because better facilities were available from outside sources.

Numsa local organiser Tony Kgobe said yesterday the union, which organises workers at Philips, did not know what the implications of the international retrenchments would be for its members there.

But nine Numsa members had already been retrenched at the company's Wadeville plant last week and the union expected more would follow.

Numsa was aware there was a general slump in the electronics industry in SA.

Numsa went on strike in June over the company's decision to reduce working hours to 40 a week.



Helping hands . . . voluntary workers step in as theatre porters at the Sandton Clinic after 112 members of the Health and Allied Workers Union were fired for going on a strike. Picture: Karen Fletcher.

Volunteers lend hand during clinic strike

By Musa Mapisa

Sandton Clinic seems to be coping well after about 112 striking members of the National Education, Health and Allied Workers Union (Nehawu) were fired last week.

The strike allegedly started after two workers were caught smoking in a locker room and were fired. This was denied by management.

The clinic has engaged voluntary workers from various

churches including Rhema and New Covenant Churches, as well as a few private individuals.

The voluntary workers are used in wards for cleaning, serving meals, laundry and as theatre porters.

At the weekend the clinic had to bring in Girl Guides and schoolchildren to help out.

Many of the hospital sections were not affected by the strike, for instance catering was done by a private company, the pub-

lic relations officer Ms Sonja Welleman said.

The clinic manager Dr Anette van der Merwe said in a statement that the dismissed workers were intimidating the remaining staff and voluntary workers, but the situation was totally under control.

"Thanks to the continued support of members of the community, the clinic continues to function smoothly," said Dr van der Merwe.

One of the volunteers, who re-

fused to give her name, said she was taken out of a bus by the dismissed workers and ordered to go back home.

A group of dismissed workers outside the clinic premises denied that they were intimidating volunteers and other workers.

"We merely try and convince colleagues working in other departments not to leave their jobs to help in other departments," said Jan Thape, one of the strikers.

Revamp at Iscor works to cost 1 800 jobs

A TOTAL of 1 800 jobs at Iscor's Pretoria works — about 25% of the total — will be lost during the steel giant's modernisation and rationalisation programme.

A statement issued yesterday said the reduction in the number of employees would take place during the next three years through transfers to other Iscor centres and not filling vacancies. However, some retrenchments would be necessary.

The modernisation programme aims to change technologically obsolete processes.

The programme will also contribute towards Iscor's total environment protection

LIZ ROUSE

programme by limiting pollution.

The commissioning earlier this year of the technologically advanced Corex plant for production of liquid iron was part of the programme.

Also planned is the commissioning of a continuous slab caster and ladle furnace for the steel melting plant; the decommissioning of plants for the conventional casting of steel, soaking pits, blooming mill and rod mill; and the commissioning of a heavy mill reheating furnace.

3/10/90

Sithole released in 'Vula' case

OWN Correspondent and Sapa

PRETORIA. — ANC member Mr Jabulani Sithole, an accused in the "Operation Vula" trial, has been released without charges.

He was released on Monday from the Pretoria Central Prison less than an hour before nine of his fellow detainees appeared in the Durban Regional Court.

At the hearing in Durban on Monday, a request by counsel for two ANC members allegedly involved in an alleged plot to overthrow the South African government to be detained at St Aidan's Hospital rather than a prison hospital was refused by magistrate Mr T D Reed.

Mr Z M Yacoob had asked if ANC executive committee member Mr Sathyndranath "Mac" Maharaj and Mr Amnesh Munnessar Sankar might be sent back to St Aidan's Hospital and not to the Westville prison hospital, "where there were simply no facilities at all".

Mr Reed said the legislature had not given the court any special powers to meet such a request.

All eight accused were remanded until Friday, when a bail application will begin.

70 retrenched as broking firms merge

SEVENTY people have been retrenched as a result of the merger of stockbroking firms Frankel Kruger Vinderine and Max Pollak & Freemantle.

Frankel Max Pollak Vinderine will be officially launched on December 1.

The new firm will have a staff of 250.

At the helm will be Leslie Frankel as chairman and Sidney Frankel as CE, with David Shapiro and and Geoff Rothschild coming in as joint MDs.

Max Pollak partner Archie Shapiro is to retire after 57 years in the industry, but will take an active role as a consultant.

All other directors of the two firms will continue as directors in the new firm.

The move comes in the wake of low volumes on the JSE, which have seen turnover slip to almost unprecedented levels. From turnover of over R100m a day earli-

ANDREW GILL

er in the year, the exchange is now handling consistently low levels in the R30m to R40m range.

The market was described as a morgue yesterday when news of the retrenchments filtered through.

Dealers said yesterday that times were likely to get tougher with more retrenchments in the industry and an increasing emphasis on "crisis management".

David Shapiro said: "We firmly believe the merger is in the best interests of our private, institutional and corporate clients. We will do everything in our power to ensure that the transition is a smooth one."

The new firm will, wherever possible, retain client handling staff, he said.

1 800 posts at Iscor to go

howe 1/11/90

335

A TOTAL of 1 800 posts at Iscor's Pretoria works are to be abolished because of a modernisation project.

The number of affected posts constitutes 25 percent of the current work force.

Iscor said the rationalisation would take place over the next three years through retrenchments, transfers to other Iscor centres and the non-filling of vacancies.

The works modernisation project was aimed at ensuring an economic operation and a continued supply of high quality products. - Sapa.

335 70 employees retrenched in merger of stockbrokers

More than 70 people are to be retrenched when stockbrokers Frankel Kruger Vanderine merge with Max Pollak and Freemantle on December 1.

Dr Leslie Frankel, chairman of the joint venture said yesterday: "Although we have made every effort to keep retrenchments to a minimum, we have had to stabilise our staff complement at around 250 people.

"This has regrettably meant retrenching 70 people between the two firms."

The name of the new firm will be Frankel Max Pollak Vanderine (FMP).

Archie Shapiro, partner of Max Pollak, will retire after 57 years in the industry, but as a consultant will still play an active role in FMP.

All other partners in Max Pollak will become directors, along with existing FKV directors.

New joint MD David Shapiro says that wherever possible client handling staff have been retained. — Sapa.

South 1/11 - 7/11/90 335

Court battle for jobs

A COURT interdict will be brought against the House of Representatives if the 106 striking workers suspended by its administration are not reinstated immediately.

Mr Essa Moosa, an attorney acting for the suspended workers, confirmed that court action has been considered because the department has refused to meet with members of the Worker's Action Committee (WAC).

The committee organised a go-slow and a strike demanding a living wage of R850 a month and an across-the-board increase of R250.

Mr Stuart Marshall, one of the suspended workers, said the 21-member committee was formed after workers expressed dissatisfaction with the executive committee of the Public Servants League (PSL) who refused to support strike action.

At a mass meeting held on

October 16, workers mandated the Congress of South African Trade Unions (Cosatu) to mediate on their behalf and elected the WAC to negotiate with the department.

The strike follows several failed attempts on the part of the WAC to negotiate with the department.

Both Cosatu and the WAC

are awaiting confirmation of a date for a meeting with Richards.

Mr Neville Petersen, a spokesperson for the Public Servants League, said the PSL had talks with the Director General of Budgeary and Auxilliary services.

"We discussed the suspension as an immediate matter. But we are busy sorting

Bid to curb layoffs

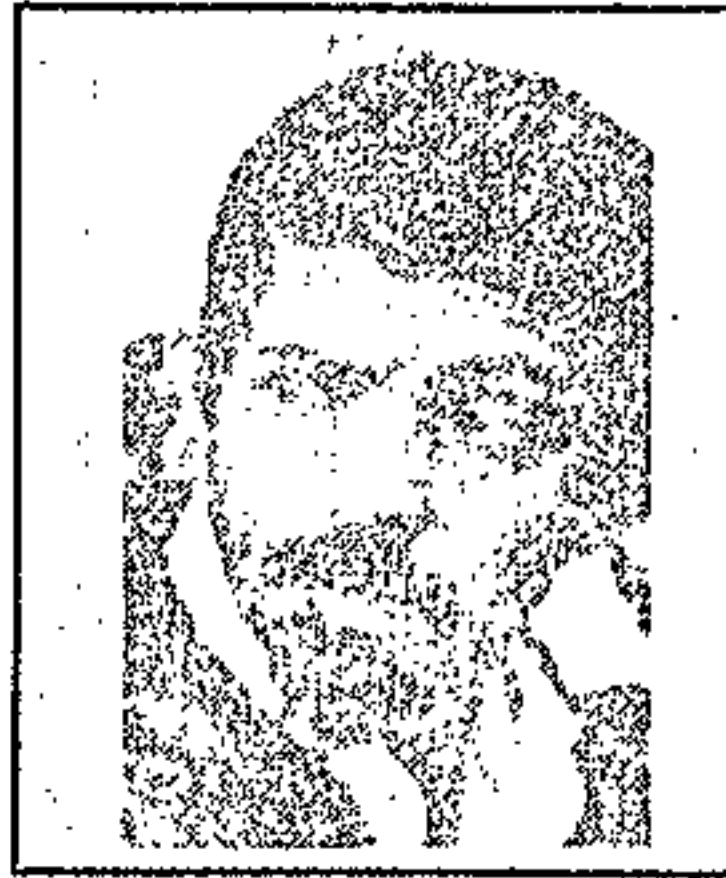
THE Metal and Electrical Workers' Union of South Africa (Mewusa) is gearing up for a "job security campaign" to fight a threat of large-scale layoffs at the Plessey SA electronics company.

The company intends retrenching about a fifth of the workforce at its factory in Diep River.

A Mewusa spokesperson said the union intended to fight for the workers' jobs.

The retrenchment threat is the latest in a wave of layoffs which has hit the Western Cape this year.

Major retrenchments in the last month include about 300 workers from Atlantis



Mr Brian Williams

Diesel Engineering, the closure of a West Coast canning factory and the news that Somerset West's largest employer, Gants, intends closing.

Recognition

Meanwhile Mewusa is involved in a conflict over recognition with Cape Manufacturing Engineering.

The union staged daily demonstrations at the Epping factory in support of recognition earlier this year. The matter has now been taken to the industrial court by the union, which claims to have about 450 members at the factory.

Mewusa is presently negotiating recognition with Tedelex and is involved in its first ever plant level negotiations at Cape Gate.

Four sue clinic for R100 000

335

Sowetan
11/11/90

FOUR shop stewards of the National Union of Public Service Workers are demanding R100 000 in damages from a white-owned Pretoria private clinic after charges of intimidation against them by the company were withdrawn in court.

They are Mrs Margaret Ranoto, Mrs Johana Mashifane, Mrs Elizabeth Mathebula and Mr Jacob Mocha, who were employed by

By MONK NKOMO

Jakaranda Hospital.

The workers claim in letters of demand that a Mr de Beer wrongfully and unlawfully caused their arrest and detention during a strike on or about June 22 this year.

They were released on bail on June 26 and later had charges of intimidation against them withdrawn in the Pretoria Magistrate's Court, according to their attorney, Mr Cyril Morolo.

Morolo said he had also filed an application in the Industrial Court challenging the dismissal of 156 employees at Jakaranda Hospital and the Nedpark private clinic.

All the dismissed workers are members of the NUPSW.

Morolo said they were seeking an order for the unconditional reinstatement of the workers, including the four shop stewards, on the grounds their dismissal constituted an unfair labour practice.

Dr G de Beer, superintendent of Jakaranda Hospital, yesterday confirmed having received the letters and the notice and said both applications would be defended by the hospital.



Sandton Clinic management yesterday handed out copies of a Supreme Court order to dismissed workers gathered outside the clinic. The order restricts picketing and prohibits the obstruction of any clinic operation.

Picture: LINDEN BIRNS

B/Day 2/11/90
Sacked workers arrested outside Sandton Clinic

335
 LINDEN BIRNS

SIX dismissed Sandton Clinic workers were arrested yesterday after gathering with other dismissed colleagues outside the clinic to receive copies of court orders from clinic management representatives.

The Supreme Court order confined picketing workers to pavements opposite the clinic and prohibited them from obstructing clinic operations.

The workers were fired after taking industrial action. Clinic spokesman Sonja Velleman said they had refused to accept the court order when it was issued by the Witwatersrand Supreme Court on Saturday.

National Education, Health and Allied Workers' Union (Nehawu) educational secretary Neil Thobejane said yesterday the arrests were the result of a trap set up by the clinic's management in collaboration with the SAP.

Velleman said that if people had been arrested, "it's on the grounds of intimidation".

Nehawu organiser Sam Pholotho dismissed a police claim that some of the sacked staff had abducted and tortured clinic staff in a Johannesburg building, challenging police to name the place and time at which the alleged torture took place.

On Wednesday SAP Witwatersrand liaison officer Capt Eugene Opperman said in a statement that "some supporters, if not members of Nehawu" had kidnapped, intimidated and assaulted clinic employees.

MEDIA SPOT

'Blood flows' in ad industry

810am 27/11/90.
 RETRENCHMENTS in the advertising industry are increasing because of the economic down-



swing, says Association of Advertising Agencies president Hennie Klerck.

"There is blood flowing in the industry," he said in an interview this week.

● KLERCK "There have been severe budget cuts, and prospects for 1991 don't look good at all."

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 Reports by
 MANDY JEAN WOODS

The larger agencies had retrenched in total between 150 and 200 people, he said.

Hopes for a "soft landing" for the SA economy in 1990 had evaporated.

The effect of the slowdown was being felt across all sectors of the economy, and the ad industry was most certainly feeling the pinch.

"Retrenchments are increasing, and it is particularly sad to know that the households affected face a bleak New Year," he said.

Payouts by the Advertising Benevolent Fund (ABF), a non-profit organisation which helps financially-

stricken members of the advertising industry, bear this out.

ABF treasurer Fiona Lister said aid payments had jumped from R10 000 a month to about R22 000 a month.

"Among the people we have been assisting have been four or five top guys," she said.

□ In his recent annual address, Klerck said the SA Advertising Research Foundation estimated its "essential" research for next year would cost R9,8m, compared with an estimated levy income of R7m.

"Unfortunately budgets are limited, and our media directors will have to learn to temper their requests for additional information," he said.

Threats anger union

clerk 4/11/90 (1990) 335 (1990)

THE South African Municipal Workers' Union (Samu) is up in arms against a Western Transvaal town council for threatening to withhold pay from its members and to retrench workers because of the rent boycott.

The trouble-torn Jouberton Town Council, which is rejected by the residents and is virtually run by Klerksdorp town council, issued a statement last week saying that if the seven-month-old rent boycott was not called off, employees would not receive their salaries at the end of October.

The town clerk of both Jouberton and Klerksdorp town councils, Jan Muller, said councillors would also not get their allowances for as long as the boycott went on.

Eskom to mothball 3 power stations

ESKOM is to mothball three of its older, less economic power stations — Camden, Komati and Grootvlei — in a cost-saving move which could result in the loss of about 3 500 jobs at the power stations and the collieries serving them.

The mothballing will save Eskom about R270m a year.

Two of the collieries, Trans-Natal Coal Corporation's Usutu Colliery which is near Ermelo and which supplies Camden, and Amcoal's Springfield Colliery which serves Grootvlei near Balfour, are expected to close.

In addition, Trans-Natal's Koornfontein Mines, which is near Middelburg and supplies Komati, will face substantial cut-backs in production.

Eskom's decision was taken at a meeting of the Electricity Council on Thursday when it was decided that Eskom would make increasing use of its larger, more economic stations.

Eskom chairman John Maree said it was Eskom's duty to manage its excess generating capacity as effectively as possible.

"Low growth rates are being exper-

ZILLA EFRAT

ience in the economy and in sales of electricity at present and are expected to continue in the foreseeable future," he said.

He said the decision was taken after various options were considered.

Eskom communications manager Johan du Plessis said yesterday that the mothballing of the power stations was not linked to Eskom's recent announcement of a below-inflation 8% increase in electricity tariffs for 1991. The move would have been taken no matter what the increase in the tariff was, he said.

He added that the costs of mothballing these plants were significantly outweighed by the savings.

The three affected Eskom power stations had a combined staff complement of about 2 600. Of these, an estimated 600 would be retained to maintain the plants during the mothballing stage.

Of the remaining 2 000 people whose jobs would become redundant, Du Plessis expected between 400 and 600 would be rede-

□ To Page 2

Eskom

ployed elsewhere in Eskom. But some retrenchments would be unavoidable.

Amcoal spokesman Glen Yeatman yesterday confirmed that the mothballing of Grootvlei would affect Springfield Colliery, which had about 1 000 employees.

Although this colliery had limited outside sales, its main function was to supply coal to Eskom.

She said the full implications of the mothballing were still to be finalised with Eskom. But it was likely that Springfield

would close for the period of the mothballing and retrenchments would be necessary.

Sapa reports Trans-Natal's MD Mike Salamon said in a statement on Friday that the closure of Usutu was likely to lead to the loss of about 500 jobs.

However, it had not been possible to determine the final impact on the staff of Koornfontein because of the complexity of its operations, Salamon said.

□ From Page 1

Soaring UIF payouts mark job losses

CHE T. 5/1/90
338

Own Correspondent

PRETORIA. — Soaring demands for benefits from the Unemployment Insurance Fund (UIF) reflect an increasingly alarming employment problem, economists say.

According to Unemployment Insurance Commissioner Mr Jack Scheepers, new applications for benefits increased in October by more than 25% to 54 000. Last month beneficiaries totalled 181 000 — one of the highest figures for years.

Benefits payouts during 1989 totalled R562m. This year so far benefits have soared to R632m.

Another indicator pointing to the extent of unemployment is that this time last year the surplus of income over expenditure amounted to some R23m a month. This has fallen to a surplus of R9m.

The fund itself, however, is at a record level of R1,1bn. During the first 10 months of the year its income totalled R742m against payouts of R632m.

Econometrix chief economist Mr Azar Jammie said the fund statistics confirmed a worsening unemployment problem.

If the economy was going backwards, jobs had to be lost. The increase in demands for benefits showed that even workers usually in a stable employment situation were losing their jobs.

2 000 face layoff at Eskom

By Therese Anders
Highveld Bureau

About 2 000 power station and colliery workers face retrenchment after Eskom's weekend announcement that it will mothball three of its ageing eastern Transvaal stations.

The three power stations affected are Camden near Ermelo, Komati near Bethal and Grootvlei in the Balfour district.

Eskom is mothballing the old

stations because of heavy overcapacity of electricity generation and financial constraints.

The three stations have a combined staff complement of about 2 600. Of these, 600 will be retained to maintain the plants during the mothballing stage and the remaining 2 000 jobs will fall away.

But Eskom says it hopes to deploy a substantial number of those staffers elsewhere.

Two of the stations' feeder collieries, Genmin's Usutu and Anglo American's Springfield, are likely to close, say the mining houses.

About 500 jobs will become redundant at Usutu. Anglo American was unable to say how many of Springfield's 1 000 workers would be retrenched.

Genmin's Koornfontein mine near Komati will continue as a supplier for both the external and internal markets.

Disaster

The winding down of Grootvlei station and Springfield mine will be a disaster for the small Balfour township of Siyatemba (population 30 000), says Balfour town clerk Tienie Jou-

bert.

"There are about 3 000 breadwinners in Siyatemba and about 600 of those will lose their jobs with the closure of the power station and mine.

"The total monthly wages at Grootvlei and Springfield are about R1,4 million and a good portion of that is spent in Balfour.

"It will mean some businesses in town will have to close," Mr Joubert said.

An Eskom spokesman said no decision had yet been taken on the future of the villages attached to the power stations.

Business Report

Business Editor

THE motor trade will be investigated under the Harmful Business Practices Act, the Minister of Trade and Industry, Kent Durr, said at the annual conference of the Motor Industries Federation in Cape Town yesterday.

He told delegates to the conference at the Cape Sun that although most sales, servicing and vehicle repairs were satisfactory "there is nevertheless sometimes justified dissatisfaction on the customer's part.

Government to investigate motor trade

"And the thoughtless, dishonest or incompetent actions of a small number of people can endanger the interests of the many who have reason to be proud of their work."

Durr said the investigation would also focus on "the law relating to consumer transactions concerning motor cars".

Meanwhile, he urged the federation to update its code of

conduct in view of changes in the economy and customer base and the increasing emphasis on consumerism.

The President of the Motor Industries Federation, Chris de Weert, said it had looked into 1 047 complaints in the past year and found 408 to be justified and 468 unfounded. Of the others, 52 were unresolved and 119 still pending.

De Weert said 627 of the complaints were about repairs and 225 about the sale of used cars.

Opening the conference, Durr said an estimated 259 000 people were employed in the motor industry "and many more in transport-related industries and activities such as the road freight and passenger transport systems.

"Of this total, some 37 000 are in manufacturing, approximately 61 000 in components manufacturing, with the balance of 165 000 being involved in sales, maintenance and servicing activities.

"A fluctuation of only 10% in employment in this industry may mean added unemployment of 26 000 employable people — or it may mean the di-

rect creation of 26 000 new jobs."

This, explained Durr, was one of the reasons local content requirement had been boosted "to develop this sector into not only one of the key players in the SA economy but also a participant to be reckoned with in the global motor vehicle industry".

The results, he continued, were "very en-

couraging, the industry having performed far better than initially expected".

Teething problems were being attended to by the government in close liaison with the industry.

"We are integrating our industry into the global market. But successful global trading brings the need for global competitiveness and internationally ac-

CME Trn Hs 7/11/90 (335)

CHIEF TIMES 2/11/70
**'War' NUM
charges Eskom**

200/335
JOHANNESBURG. —

The National Union of Mineworkers (NUM) yesterday accused Eskom of declaring "political war" against its employees by announcing moves to retrench or re-deploy more than 4 500 workers at several power stations.

Re: 1 Eskom announced this week that it had a surplus of 4 728 workers as a result of its streamlining process. — Sapa .

LABOUR BRIEFS

W/M 9/11-15/11/90

Sacwu's appeal for reinstatements fails

■ The SA Chemical Workers' Union has come to the end of the road in its three-year battle to win reinstatement for 820 workers fired during a wage strike at Sasol 1 and Natref.

This week, The Appeal Court in Bloemfontein refused a union plea for leave to appeal against a controversial Labour Appeal Court (LAC) ruling.

In August, the LAC overturned an Industrial Court order for the reinstatement of the strikers with six months' backpay, estimated at R3-million, and refused the union leave to appeal.

Ruling the dismissals fair, the LAC found that balloting irregularities had rendered the strike unlawful.

87-1211/90 (335)

MMC cuts output and staff

Manganese Metals Company (MMC) has announced extensive cost-saving measures in order to stay competitive.

Production at the Krugersdorp plant is to be reduced by 30 percent and.

The workforce is to be cut across the board by 20 percent before end-November.

About 80 of 390 jobs at the Krugersdorp plant will be lost.

The cutbacks are the result of lower manganese prices on the international markets, mainly because of oversupply.

The oversupply is ascribed to new competitors entering the market.
— Sapa.

13/11/90

JCI mine to cut 1 100 jobs

By Derek Tommy

Traders in the West Rand, whose businesses have already been hit by heavy retrenchments at West Rand Consolidated and Western Areas gold mines, are to suffer a further blow.

Another West Rand mine, Randfontein, is to

cut its 14 100 work force by 1 100 to rationalise operations at its troubled new Doornkop shaft.

JCI gold division chairman Kennedy Maxwell said losses at the shaft were threatening the mine's viability.

Development at the Doornkop section would be directed towards the

predicted high grade areas north of the shaft.

The gold mines in the Free State and Transvaal have cut their labour forces by 72 000 in the past 18 months.

Further large-scale retrenchments are likely. Harmony, which employs 27 000 people, is to cut production by 30 per cent.

5/14/11/90 335 1991

JCI retrenchments far too high – NUM

By Shareen Singh

The number of workers Johannesburg Consolidated Investments was planning to retrench was far too high, the National Union of Mineworkers (NUM) said yesterday.

Union spokesman Marcel Golding said the union believed it was not necessary to retrench 1 100 workers considering the circumstances surrounding management's decision to rationalise.

The NUM will enter into negotiations with the company on possible ways of minimising the retrenchments, he said.

JCI announced on Monday that about 1 100 gold miners out of a total workforce of 14 100 at its Randfontein Estates Mine would lose their jobs.

In a press statement, JCI said the retrenchments were unavoidable due to difficulties experienced during the past two and a quarter years on the Kimberley Reef horizon at Doornkop.

Firstly, ore mined at the shaft was not of a high enough grade to cover costs the company was incurring.

Secondly, continued faulting at the shaft had effectively made access to higher grade ore difficult.

JCI said every effort had been made to improve the situation by developing into higher grade zones but the necessary improvements in average grades had not materialised.

Informed

Randfontein Estates' profit after tax during the last four years fell by 55 percent from R336,7 million in 1987 to R153,2 million in 1990, the company said.

Management had informed employees of the financial situation on the mine but had not yet given workers notice of retrenchments.

The process of rationalisation would only start after management had consulted with the employees and unions.

2 000 jobs to be lost as Frame shuts factories

335 Business Day Reporter

THE Frame group would close three factories and retrench 2 000 people before the end of the year, the company announced yesterday.

The factories are the group's blanket mill in Harrismith, a cotton spinning mill and part of a cotton weaving shed in East London. B1024 15/11/90

A statement from Frame yesterday quoted Harrismith residents as saying the move would mean the death knell of the town. Shopkeepers said it was the final straw in an already bleak trading environment, with some believing they would have to close their stores.

Management said meetings were being held with trade union leaders to finalise the terms of retrenchment. The SA Clothing and Textile Workers' Union (Sactwu) could not be reached for comment.

The extraordinary losses from write-offs, the costs of closure and the losses from the discontinued operations would exceed R90m, Frame group executive chairman Mervyn King said.

"It is obvious that, in the circumstances, the group will not be in profit for this financial year."

King said it was imperative to reduce the size of the group's balance sheet and eradicate unprofitable plant. It was unfortunate this had to be done in the present economic climate, but it was in the group's best long-term interests.

The group had enormous potential as a fully integrated textile operation. This objective required a five-year programme and major restructuring.

King said the situation had been exacerbated by the level of textile imports into SA. In the first six months of 1990, 6,98-million kilograms of imported spun yarns had been imported into SA compared with 3,96-million kilograms in the same period in 1989.

"Perhaps the final straw that broke the camel's back in regard to the blanket mill in Harrismith was when we were advised a few weeks ago by a large customer that it was to import its blankets from Turkey."

Fired Mewusa workers reinstated

^{2/1/65} ^{18/11/90}
RELATIONS have been normalised between the Metal and Electrical Workers Union of South Africa and a Potchefstroom metal company following the dismissal of 125 workers.
The workers - who were dismissed by Anglo American's WJ Engineering Company on September 7 - were all reinstated following an out of court settlement.

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4418

494 to lose jobs as Langeberg closes plant

By BLAISE HOPKINSON
Business Staff

LANGEBERG, the Bellville-based canner, is to close its Northern Cape dehydration unit in March with the loss of 494 jobs.

The Hartswater operation turns over less than R12 million a year and has accumulat-

ed a considerable net loss since it was opened in 1981.

Managing director Mr Ray Brown said the plant was not significant to the group's total operations as it represented only two percent of turnover and three percent of assets.

A total of 111 permanent staff members and 383 seasonal workers will lose their jobs.

Stk 20/11/90 335

More miners set to lose jobs

By Shareen Singh

The Chamber of Mines Research Organisation (Comro) is to cut its budget by about R10 million next year, which will result in more retrenchments in the mining industry.

Severe economic conditions had contributed to the additional cutback in research expendi-

ture, which is funded by the gold mining industry, the chamber said in a statement.

The budget was cut from about R70 million to R40 million in May this year and expenditure in 1991 was expected to be about R30 million.

Comro would now focus its research primarily on health and safety, especially rockfalls

and rockbursts.

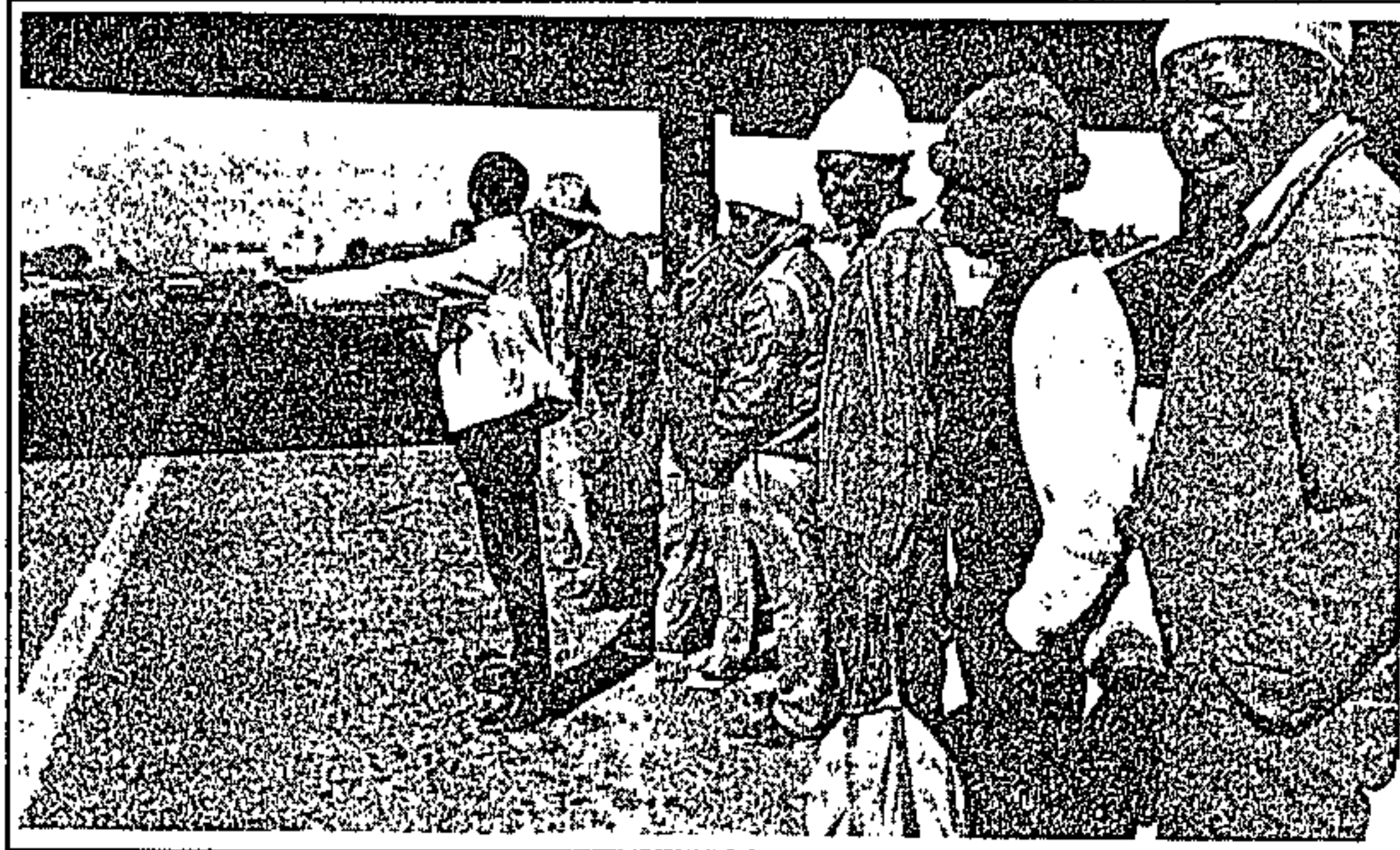
Over and above this, Comro would continue to undertake technological research and development on a contract basis.

The latest cutback in Comro's budget would necessitate organisational restructuring.

"This will inevitably and regrettably involve additional retrenchments."

No jobs for 'shock troops'

(335) South 22/11 - 28/11/90



IDLE: Youth are among unemployed workers along urban highways begging for jobs

ERROL April is, at 22, a seasoned activist and unemployed.

Active in community and youth politics since 1984, April, of Mitchells Plain, has never held a job and has been unable to obtain a matric qualification.

As a member of the South African Youth Congress (Sayco) and now a local ANC activist, April knows about detention and harassment.

Detained

"I was forced into hiding for eight months before I was detained for three months in 1988," he says.

He was detained again for two months last year, shortly before he was supposed to write his matric exams.

Although he managed to write, April failed the exams and he is presently studying through correspondence.

April lives with his family of five.

"The mere fact that I'm not working places considerable family pressure on me," he says.

Sting

He is not allowed to use the phone at home because "the ANC won't pay the bill".

April concedes that the "legalisation of the struggle" has taken the sting out of youth politics.

Now the endless days of idleness is leading to frustration and disillusionment.

Known as the shock troops of the struggle during the 80s, township youth now face the idle 90s. Concern is being expressed about the bleak future faced by thousands of youth who dropped out of school during numerous education crises and now have no skills to secure a job. Observers feel they present a major political and social factor in a changing South Africa, writes MUSA NWANDWE:

Mzwandile Matiti, 19, is a bitter "young lion" from Cape Town's New Crossroads.

He dropped out of school in Standard Seven and is a member of the Western Cape Unemployed Workers Movement.

He abandoned school and became a "fulltime comrade" in the mid 80s at the height of the violence in Cape Town's KTC camp and other squatter areas.

Pressure

He has spent long spells in hiding and in detention and now, as the politics of negotiation gains momentum, he and other "comrades" are pondering a bleak future.

Talk about social pressures and Matiti says he is feeling the social pressure as an unemployed father of an eight-month-old boy.

His immediate ambition? "If only I could finish school," he says.

"Our youth has become caught up in this web. There is no hope," says Mr Richard Martin, education spokesperson in the Western Cape of the Sayco.

Martin's sentiments are echoed by the the South African Council of Churches (SACC) which has appealed for "serious thinking" on reclaiming the "lost generation".

Sacrifice

In its statement, the SACC says "young people who had to sacrifice their childhood in the turbulent years since 1976" must be reintegrated into society.

"Despite adverse conditions, poor education and the resultant lack of motivation, youngsters are still expected to grow up and be professionals", said Professor Andy Dawes, University of Cape Town's senior lecturer in psychology.

"We have a situation where there is literally millions of youths who are facing a bleak future," said Dawes.

According to Dawes, nearly 60 percent of the country's population — including the homelands — are under 25 years.

"Parallel to that, we have a declining economy. Employment opportunities have declined dramatically and economists are not optimistic about the immediate future," says Dawes.

Militant

While the "Young Lions" in the 90s are still as militant, there is a growing realisation that planning means much more than chanting slogans and wielding wooden AK 47s.

But are there solutions? Whose task is it to "reclaim the lost generation"?

"We have an obligation as an organisation to give direction to our youth," says Ms Lyndall Shope-Mafole, deputy chairperson of the ANC Youth League.

"We feel that education is important and we must impress it upon our youth that despite the quality of education, they still need to be in classrooms," she says.

"There is a wrong view that the question of apartheid must be resolved before any planned intervention can be implemented."

But says Sayco's Martin "We are the vibrant section of the community. We are impatient. We want things to happen now."



BLEAK FUTURE: Errol April has never held a job since April 1984

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Frame Group to lay off 2 000

Sowetan 22/11/90

By JOSHUA RABOROKO

About 2 000 workers at three factories of the Frame Group - one in Harrismith and two in East London - will be retrenched before the end of the year following the group's decision to close the spinning mill and part of cotton-weaving shed operations in these areas.

The executive chairman of the group, Mr Mervyn King, said he had told shareholders in the group's annual report that working capital levels would be reduced and the company's asset base shrunk.

He pointed out that the closures had already been discounted in the share price because the present price was approximately

one third of the group's present asset base. It was imperative to reduce the size of the group's balance sheet and to eradicate unprofitable plant.

He added that it was unfortunate that that had to be done in the present economic climate when unemployment was escalating, but he believed that it had to be in the best long term interests of the group.

"The group's potential as a fully integrated textile operation is enormous. Shareholders are fully aware that the road to success involves a five year programme and

major restructuring. Part of this process is to focus our efforts on completing our plan to make our Durban mills comparable to the best integrated textile mills in the world.

He added that the situation had been exacerbated by the level of textile imports into South Africa. It was unbelievable that government was standing by in a recession and watching imports increasing and a pipeline industry employing some 400 000 being injuriously eroded.

Management of the company and its trade union leaders are meeting in regard to finalising the terms of the retrenchment of union members, he

said.

A reliable source in Harrismith said it would mean the death knell of the town. "Approximately 1100 people work in the Harrismith mill and that impact is that 5000 people in the area will be without a breadwinner," the source said.

Shopkeepers in the town see it as the final straw in an already bleak trading environment. Several were of the view that they would have to close their stores. The East London area is already depressed and the knock on effect in East London from the Frame closure will send more shock waves through that community.

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23/7/90

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Lebowa mine dismisses 1 200

Lebowa Platinum Mine dismissed 1 200 workers yesterday after a work stoppage, Johannesburg Consolidated Investments said.

It may there was a mass dismissal after an illegal strike, but most were re-employed.

The workers downed tools yesterday demanding the reinstatement of 99 people dismissed after they "illegally" left their work stations.

JCI said there had been labour problems for several months.

Star 23/11/90

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NE

VW closure costing millions

Own Correspondent

PORT ELIZABETH
Work stoppages and absenteeism by Volkswagen employees have cost the company millions of rands, making production at the Uitenhage plant impractical and uneconomical, the company said yesterday.

Volkswagen SA managing director Peter Searle said the closure of the company's Uitenhage

plant, which goes into its seventh day today, meant a loss of production of between 250 and 350 vehicles daily.

Due to the strong demand for the company's more popular models, there would inevitably be delivery delays of up to several weeks.

He had no idea whether the factory would reopen before the Christmas shutdown, now only a few weeks away, as this was entirely up to the National Union of Metalworkers of South Africa.

The company is de-

manding a written agreement from Numsa that it adhere to procedures and that there be an end to work stoppages.

In February, Volkswagen and Numsa agreed in principle to accept an agreement covering their relationship and setting out the rights and obligations of both parties. It had been hammered out by Numsa and the powerful German trade union, IG Metal.

Asked whether current negotiations between management and the union would produce the

demanded written agreement before shutdown, Mr Searle would not commit himself.

A senior shop steward at the plant, John Gomo, said Numsa demanded that the plant be reopened.

"We also demand that all employees should be paid for the full period that they have to stay away from work," he said.

In a statement, Volkswagen has apologised to customers awaiting delivery of new vehicles and to its suppliers, dealers and employees who were

losing money and risked losing their jobs because of the situation.

The Uitenhage plant was closed on November 16 when about 600 engine plant workers walked out to attend a court case involving a shop steward and a foreman.

The company has refused to reopen the factory until the union signs a recognition agreement which guarantees continuous production.

More than 20 production days have been lost this year.

'Death knell' for Harrismith if Frame closes blanket mill

Weekly Mail Reporter

THE closure of the Frame group's Harrismith blanket mill, with the loss of 1 100 jobs, would reduce the Free State town to a "sanctuary for artists and poets", the SA Clothing and Textile Workers Union has warned.

"It's by far the largest employer — it's the death knell," said Sactwu's Jabu Gwala. "Shops will close and tax-men are selling their vehicles. There'll be chaos in the 42nd Hill township."

Last week, Frame announced the closure of three plants, one in Harrismith and two in East London, with the retrenchment of 2 000 workers. Gwala said jobs were also being shed in Durban, Pinetown and Ladysmith.

Plant-by-plant negotiations were under way and a possible third shift at another East London plant could cut job losses there from 850 to 600, he said.

The Harrismith crisis raises the prospect of a joint union-employer approach to the government on textile imports.

Gwala said the union intended setting

up a meeting involving the state, Frame, organised business in Harrismith and another beleaguered blanket-maker, Aranda Textile Mills in Randfontein. *W/M 23-29/11/90*

"We're looking for protection," he said. "The last straw is preferential treatment for Turkish blankets under a government trade agreement."

Frame chairman Mervyn King complained last week that the tariff on imported yarn was hurting local cotton growers and spinners, and that a revision agreed last year had not been gazetted. Imports had leapt to nearly seven-million kg in the first half of this year, as against four-million kg for the same period of 1989.

"It is unbelievable that government is standing by in a recession and watching imports increase, while an industry employing some 400 000 is being eroded."

Denying that imports would spur efficiency, he added: "You cannot improve the efficiency of an industry by destroying it."

23/7/90

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Lebowa mine dismisses 1 200

Lebowa Platinum Mine dismissed 1 200 workers yesterday after a work stoppage, Johannesburg Consolidated Investments said.

In May there was a mass dismissal after an illegal strike, but most were re-employed.

The workers downed tools yesterday demanding the reinstatement of 99 people dismissed after they "illegally" left their work stations.

JCI said there had been labour problems for several months.

M6cl 26/11/90

Lower pay rises seen

By TOM HOOD, Business Editor

WAGE and salary increases in 1991 will be considerably less than this year's and last year's because of poor economic conditions, says Sanlam in its latest Economic Survey.

Average pay rises are expected to be about 13 percent as against 15 percent this year and nearly 17 percent last year.

With inflation running at about 13,5 percent, this means workers' earnings will actually fall in real terms — "a development businessmen will have to bear in mind," comments Sanlam's chief economist Mr Johan Louw.

A complicating problem is the ever-increasing gap between those who are employed (and whose wages have increased sharply as a result of collective bargaining over the past decade or so) and those who are unemployed.

Even though the informal sector accommodated more and more unemployed people lately, it has not been able to prevent unemployment from assuming alarming proportions, he says.

"The experience of the past 30 years clearly indicates that South Africa will have to maintain an average economic growth rate considerably higher than that of the past two decades to provide all newcomers to the labour market with work, to reduce unemployment and to ensure a higher standard of living for its citizens.

"An estimated growth rate of at least five percent a year is needed to satisfy all these requirements."

Retrenched workers get helping hand

By JOSHUA RABOROKO

So wefan 26/11/90
WITH the current slow economic growth rate and many South African companies retrenching workers in large numbers, a bookkeeping company has started a new division to handle laid-off staff.

Pressure on the job market will also increase with the return of thousands of exiles who will need help to find employment or start their own businesses in order to create job opportunities.

The Academy of Computer Bookkeeping CC, has started services, which include courses on how to get a better job, how to start your own business, strategy sessions, the use of facilities and advice and assistance on preparing a superior curriculum vitae.

The academy's placement division's executive, Mr Bill Nourse, said many companies in the mining, banking, computer and defence industries who were retrenching staff felt a moral commitment to help their laid-off workers to get back on their feet.

However, because of the competitive nature of the job market, many people, especially blacks, were not getting sufficient expertise to cope with the demands in the fast changing technological and commercial environment.

He said that people were starting to realise that the days that employees could remain with one employer all their working lives were probably over forever.

"Employees are realising that they have to constantly improve their skills and improve on their curriculum vita and be able to competently market their skills and abilities when they need to get a better job."

Courses offered by the academy include: basic manual bookkeeping, bookkeeping on computer, PC computer operation, financial management on spreadsheets and word processing and date base management. The courses have been designed by and are under the supervision of Chartered Accountants.

CHE TUNIS
26/11/90 (338)

Wiehahn warns on union's demands

MUNICH. — Unless South Africa's trade unions were prepared to moderate their demands, serious damage would be done to the country's economy and many job opportunities would be lost, Professor Nic Wiehahn told a Soviet-German symposium on South Africa on Saturday.

Prof Wiehahn, known for his 1981 report on labour legislation, said the demands of SA trade unions were becoming exorbitant and unreasonable.

Instability in the labour field was as dangerous as lawlessness and disorder in society, he warned. Trade unions should realize that their responsibility, for the welfare of the people and economic growth in the country, equalled that of employers.

However, apartheid inequalities and discrimination should not only be removed from South African policies and statute books, but also from daily life. — Sapa



Eastern Transvaal Eskom colliery workers outside the corporation's headquarters in Sandton yesterday where they were protesting against being made redundant after the closure of three Eskom power stations in the region. Picture: LINDEN BIRNS

Eskom and Numsa in retrenchment talks

WILSON ZWANE

ESKOM and National Union of Metalworkers (Numsa) officials were locked in negotiations late yesterday over a union demand that 2 000 workers threatened with retrenchment be absorbed elsewhere in the utility.

The 2 000 affected workers are employed at the eastern Transvaal power stations Camden, Komati and Grootvlei which Eskom recently announced it would mothball. 27/11/90

Earlier yesterday about 500 Eskom Camden and Komati workers toyi-toyed outside the Eskom head office in Sandton.

They carried ANC and SACP banners and placards with slogans such as "we need our jobs" and "we demand R100 000 for each employee".

Eskom spokesman Peter Adams said he could not predict when negotiations would end.

Numsa official Bernie Fanaroff said the union wanted to discuss Eskom's entire 10-year strategy.

"We are arguing that instead of retrenching the workers, Eskom should retrain and utilise them in its projects," Fanaroff said.

Sapa reports that an Eskom security officer said the company was prepared to allow the demonstration to continue as long as it was peaceful. He said there had been no incidents.

Eskom has previously estimated that of the 2 000 workers whose jobs would be lost, 400 to 600 would be employed elsewhere within Eskom.

An Eskom spokesman, who yesterday would not say how many workers would be affected by the closures, said a joint statement about the retrenchments would be issued only once all negotiations had been completed.

Mine accord a milestone, says union

MATTHEW CURTIN

THE retrenchment agreement signed yesterday by the National Union of Mineworkers (NUM) and Anglo American's Freegold South mine management was the most important agreement of its kind between the union and a mining house, NUM assistant general secretary Marcel Golding said. *B/D 30/11/90*

The agreement included "novel ideas and principles" which could see the number of mineworkers retrenched at the Free State gold mine reduced from Anglo's original forecast of 7 800 to only 1 800.

Meanwhile, Gold Fields announced today it is to retrench about 3 700 workers at its Doornfontein and Venterspost mines in an attempt to reduce costs, restore profitability and avoid closure. *(30) 335*

Golding said although the Freegold South retrenchment agreement applied to only one mine, its ramifications for the whole mining industry were huge.

At least 35 000 jobs have been lost on gold mines so far this year.

Anglo gold and uranium division public affairs manager Adrian du Plessis, echoing a joint Anglo/NUM statement calling the agreement an important one, said "the successful implementation of ... the agreement will lead to a substantial reduction in the number of employees facing retrenchment at Freegold South".

Golding said the cornerstone of the agreement was the acceptance of the principle of an extended home leave period, up to a maximum of 90 days' unpaid leave.

He said the NUM was negotiating retrenchments at Anglo's Western Deep Levels and Vaal Reefs operations, as well as with Genmin. Gengold has cut its workforce by almost 30 000 in the past two years and MD Gary Maude predicted last month Gengold would cut 10 000 more jobs within a year if the gold price did not improve.

□ T Page 2

Mine accord

B/D 30/11/90
Eskom has also informed the NUM almost 5 000 jobs were at risk after the mothballing of three of its power stations, while JCI announced 1 100 retrenchments at its Doornfontein Estates operations.

Golding said the issue of retrenchments and violence had been "the consuming issues of 1990 at a time of the rapid rationalisation of the mining industry".

Anglo had also committed itself to negotiating restructuring and cost-saving mechanisms at Freegold South, and the establishment of a R1m fund to create job opportunities for retrenched workers.

There were three vital concessions for the NUM in the agreement. Workers would

(335)
receive notice money in lieu of their 30 days' notice worth 50% of the total pay. Severance pay had been raised from 10 days to two weeks for each year of completed service, and a recall procedure was built into maximise the re-employment options for retrenched workers.

Golding said the union's ultimate aim was to create a "dust fund", a mechanism to maintain employment levels which was also sensitive to the cyclical nature of a resource-based industry's performance.

Du Plessis said Anglo would favourably regard any strategy which guaranteed jobs and the viability of its mining operations.

□ From Page 1

Gold Fields retrenches 3 700 mineworkers

Finance Staff

Gold Fields last night announced the retrenchment of 3 700 mineworkers at two of its struggling gold mines — Doornfontein and Venterspost.

Both these mines have been reporting losses in recent quarters.

The retrenchments have been made in order to reduce costs and restore them to profitability.

The scale of operations has been rationalised, a company spokesman said.

Working losses were incurred in the June and September 1990 quarters and the financial position of the mines has continued to deteriorate because of the weaker gold price in rand terms and increases in operating costs.

At this stage, the reduction in the workforce at Doornfontein is expected to be about 1 700 and at at Venterspost about 2 000.

To reduce the impact of the rationalisation programme, efforts were being made to secure work for employees at other operations within the Gold Fields group, the company said last night.

Mining pact a scoop, says union

Own Correspondent

JOHANNESBURG. — The retrenchment agreement signed yesterday by the National Union of Mineworkers (NUM) and Anglo American's Freegold South mine management was the most important agreement of its kind between the union and a mining house, NUM assistant general secretary Mr Marcel Golding said yesterday.

He said the cornerstone of the agreement was the acceptance of the principle of an extended homestay period — of up to a maximum of 90 days' unpaid leave —

for all mineworkers.

The agreement could result in the number of mineworkers retrenched at the Free State gold mine being reduced from Anglo's original forecast of 7 800 to only 1 800.

Mr Golding said that although the agreement applied to only one mine, its ramifications for the whole mining industry were huge.

At least 35 000 jobs have been lost on gold mines so far this year.

Eskom has also informed the NUM that almost 5 000 jobs are at risk after the mothballing of

three of its power stations, cutting the company's need for coal dramatically, while JCI announced 1 100 retrenchments at its Randfontein Estates operations earlier this month.

Anglo gold and uranium division public affairs manager Mr Adrian du Plessis yesterday echoed a joint Anglo-NUM statement which said the agreement was an important one "at a difficult time in the affairs of the gold mining industry".

Anglo had also committed itself to the establishment of a R1-million fund to facilitate job creation.

Star 30/11/90

335

Transnet aims to cut jobs by up to 60 000

By Shareen Singh

Transnet is planning to reduce its workforce by between 40 000 and 60 000 by the end of 1991, unions in the sector were informed by management, a spokesman for the Artisan Staff Association said yesterday.

The company has already reduced its staff from 269 000 in 1981 to just more than 160 000.

Transnet would use every possible mechanism to try to avoid mass retrenchment, the group's personnel manager in charge of manpower, Dr Willie Coetzee, told the unions.

Economic realities had forced every large organisation to rely on their existing resources and make optimal use of their present workforce.

It was in this light that Transnet had introduced a comprehensive "personnel utilisation" project, he said.

Artisan Staff Association spokesman Christo van Heerden

said management had assured unions that the company would avoid retrenchments by opting for a system of natural attrition, which meant jobs would be frozen as they became vacant.

Phillip Strauss of the Transnet Union of South Africa said his union was perturbed by these developments. He suspected that mass retrenchments could be expected and the union was preparing for it.

Mr Strauss blamed Transnet management for contributing to unemployment, which was "already in excess of six million".

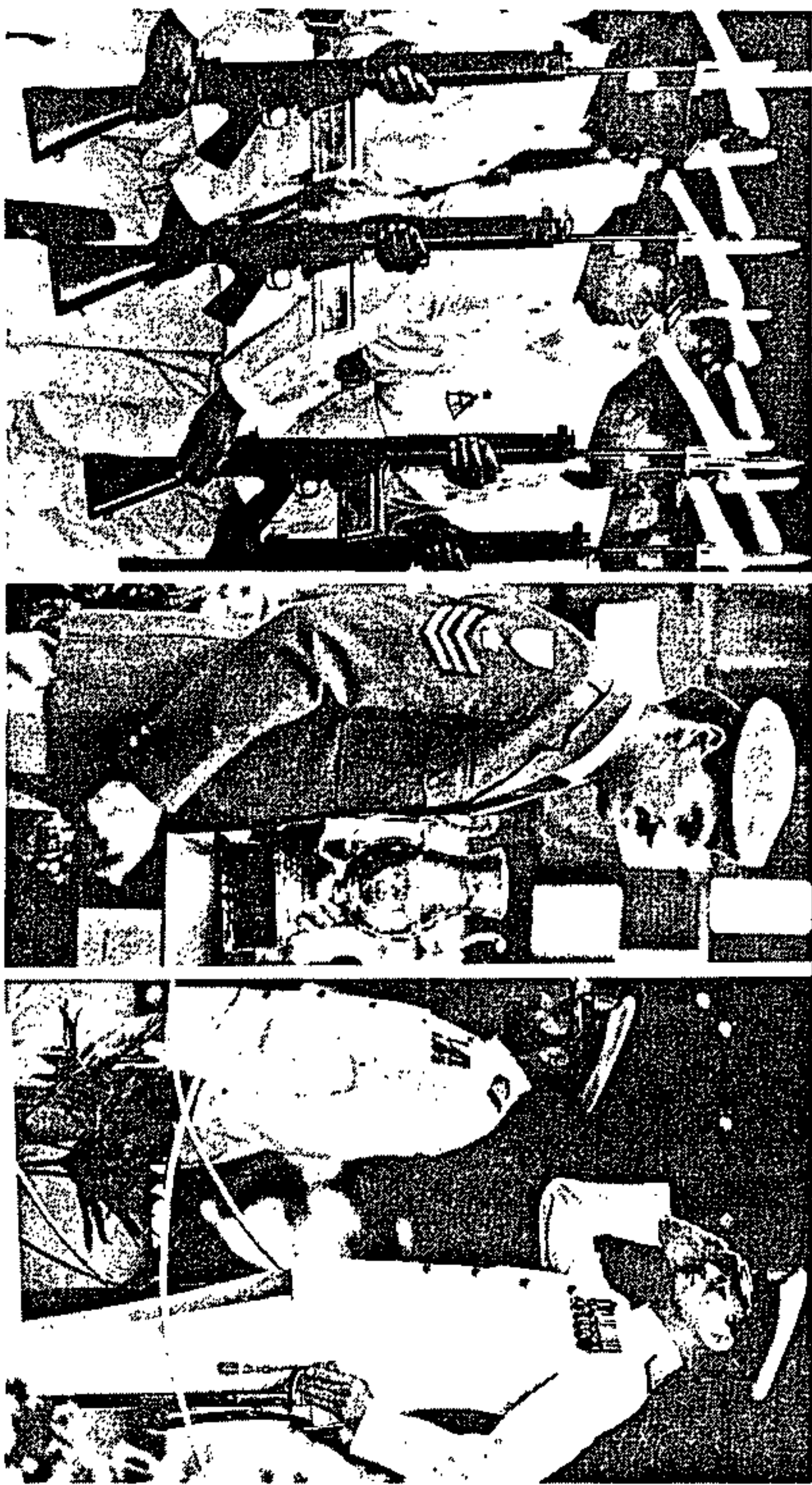
Workers were being sacrificed at the expense of company profits, he said.

Transnet had had company status since April and in order to be more profit-oriented, more and more of the "worker classes" were being laid off.

Job security had now become the highest priority in the Transnet Union of South Africa, over and above any wage increases, he added.

Anglo and union in watershed job-creation agreement

R1-m MINERS' AID DEAL



Left: SADf Technical College students present arms on parade at the college's prizegiving ceremony. Centre: Staff Sergeant Albert Tredoux gets his award for best army student. Right: Rear-Admiral Raymond Eberlein takes the salute.

Pictures: HANNES THIART, Weekend Argus.

SADf tech could open to outsiders

Weekend Argus Reporter
Rear-Admiral Raymond Eberlein.

THE SADf technical college at SAS Wingfield, Goodwood, could soon open its doors to students from the private sector, said the SADf's chief of staff for personnel, Rear-Admiral Eberlein.

ments at the college.

The only way to keep the college open and to fully use its infrastructure was to open the college up to other students, he said.

The decision had not yet

been taken, but was in the pipeline.

"The college is not being fully utilised at present and the private sector will push up the optimum performance," he said.

Weekend Argus
Correspondent
and Sapa

JOHANNESBURG. — The Anglo American Corporation's Free State Consolidated Gold Mines and the National Union of Mineworkers this week concluded a watershed R1-million labour relations agreement to help retrenched workers.

In a joint announcement by Anglo Gold divisions Mr Adrian du Plessis and the NUM's Mr Jerry Majiadi, the two organisations said this was "an important agreement at a difficult time in the affairs of the gold-mining industry."

"The agreement includes both procedural and substantive undertakings by the parties and, significantly, sets aside R1 million for a fund to facilitate job creation opportunities for retrenched workers."

3 mines involved

The three mines involved in the agreement are the President Brand, President Steyn and Saaiplaas.

Mr Du Plessis said that when negotiations started five months ago 7 800 retrenchments would have been involved. This number had since been reduced due to natural attrition.

The agreement also involved undertakings for extended leave and transfer of certain employees, he said.

"With the successful implementation of this agreement,

the number of retrenchments would therefore be considerably reduced from the original number of 7 800," he said.

According to the agreement an Anglo American Fund would be created. The company would pledge R1-million to the fund to facilitate the creation of alternative employment.

The fund would be administered jointly by the company and the union.

The terms of the agreement included close liaison between managements and the NUM on all aspects of proposed retrenchments.

Workers would be retrenched on a "last in first out" basis and would receive the following payments:

- Salary due including contract earnings and bonuses.
- Holiday leave bonus.
- Accumulated leave pay.
- Pension fund benefits, provident fund or long service awards in accordance with the rules of the respective funds.
- One month's ex-gratia payment.

● Severance pay calculated on the basis of two weeks basic pay for every completed year of Anglo American Corporation Service. Two weeks basic pay applied pro-rata for incomplete years of service.

According to the agreement the companies concerned would also assist retrenched workers by liaising with at least four other employers by advising them of surplus manpower and affording interested employers mine interviewing facilities.

R1 m fund for retrench

Anglo/NUM in key mining agreement

Star 1/12/90

CHRIS MOERDYK and SAPA

THE Anglo American Corporation's Free State Consolidated Gold Mines and the National Union of Mineworkers this week concluded a watershed R1 million labour relations agreement to assist retrenched workers.

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Assist

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According to the agreement the companies concerned would also assist retrenched workers by liaising with at least four other employers by advising them of surplus manpower and affording interested employers mine interviewing facilities.

Managements would also assist workers with the obtaining of Unemployment Insurance Fund benefits and would present each worker with a certificate of service confirming retrenchment.

Retrenched workers would, during notice periods, be given reasonable opportunity to seek employment elsewhere and to attend interviews.

Management would also endeavour to obtain relevant tax directives on behalf of retrenched workers.

ed

Govt spending 'should focus on employment'

GRETA STEYN

THE Development Bank has recommended a major restructuring of government's spending to encourage greater employment growth without giving up on fiscal discipline.

An outline of the bank's view was contained in a paper published in its journal at the weekend. It is understood that a fuller report is being submitted to government.

One part of the solution is to focus the Budget more on socially desirable spending, such as on the construction and maintenance of rural roads, low-cost housing, schools, clinics, irrigation projects, afforestation and small business support.

But the implementation of this spending must reflect the characteristics of public works programmes. These programmes are labour-intensive and seek to provide goods and services to help the underdeveloped, as in rural roads schemes.

Capital-intensive methods should be avoided unless they are proved to be more cost-effective.

Analysts Andre Ligthelm and Lolette Kritzinger-Van Niekerk argued that consultants notoriously tendered designs that were capital-intensive because their fees were derived as a percentage of the project's total value.

This culture had to be reversed and projects that involve high degrees of employment should be adhered to.

A public expenditure programme of this nature should not be regarded as a separate employment creation exercise demanding additional public expenditure, but should fall into existing expenditure.

Nonetheless, the paper suggested government divert a small percentage of its expenditure to small or labour-intensive business concerns in the procurement and production of goods and services.

This would stimulate employment in the private sector. Capital investment should take place through small scale or labour-intensive construction contractors.

The paper, which was emphatic that government had a role to play in dealing with SA's critical unemployment problem, said the pattern of SA's economic growth would have to change to create jobs — more rapid economic growth by itself would not solve the problem.

A measure of crisis management was imperative to steer the economy out of the problem and this was possible without a massive fiscal injection.

Transnet promises there will be no mass job cuts

TRANSNET has cut more than 100 000 jobs in eight years and group GM Willie Coetzee does not rule out further golden handshake redundancy offers in its rationalisation.

Coetzee said yesterday the group would make the most of rationalising its work force "through wear and tear". A voluntary redundancy package, offered earlier this year and accepted by several thousand workers, remained an option. There had been little re-recruitment of staff who had accepted redundancy packages.

By Day 4/12/90
MATTHEW CURTIN

Transnet's work force had dropped from 274 000 in 1982 to 164 000 this year.

But Coetzee denied that a further 40 000 to 60 000 jobs would go by the end of next year, as had been reported.

While there was no question of thousands of employees being made redundant, Transnet would continue its natural attrition policy introduced in 1982.

Black Trade Union (Blatu) president

Daniel Phiri said yesterday that, at a union/management meeting on November 23, Transnet had ruled out mass job cuts and opted for long-term training.

Phiri said that since October Transnet had offered workers with at least 24 years of service early retirement at the age of 55.

However, Artisan Staff Association deputy general secretary Christo van Heerden insisted at the weekend that Transnet had told unions between 40 000 and 60 000 jobs were at risk.

New twist to Xmas shopping

South 6/12/90 - 12/12/90
SELECTED shops throughout the Cape have been targeted for an unusual protest action which will add a new twist to Christmas shopping.

Between December 17 and 21, the Western Cape Unemployed Workers' Union (Wecuwu) intends holding an "eat the bread and drink the milk" campaign in the Western and Southern Cape.

Organised groups of protesters will enter shops and help themselves to bread and milk to highlight the plight of the unemployed.

Celebrate

Wecuwu regional secretary Mr Shahied Mohammed said the campaign would include pickets outside bakeries and dairies and church services with the theme, "Nothing to celebrate".

Mohammed said Wecuwu's executive was considering declaring December 21 Unemployed Day.

Clicks gets interdict against 300 workers

By Brendan Templeton

Clicks stores yesterday brought an urgent Supreme Court interdict against the 300 workers it dismissed on Tuesday after they had barricaded several Johannesburg stores and refused to allow anyone in or out.

Police were called in and strikers were dispersed with teargas. Altogether 101 were arrested, according to police spokesman Captain Eugene Opperman.

Yesterday, Federal Council of Commercial, Retail and Allied Workers (Fedcrow) general-secretary Natke Tlele described the interdict as undemocratic

and said it showed the "real new South Africa as it really was".

Workers would not be able to protest against any actions taken against them by management in any way whatsoever.

But Clicks managing director Trevor Honeysett said the interdict was aimed at protecting their customers and workers who did not wish to go on strike.

Stores were still operating and the company hoped the standard of service would soon return to normal, he said.

The union is protesting at the dismissal of workers at the company's Commissioner Street branch two weeks ago.

6/12/90
Star

Retrenchment deal: Key step for gold mines

By DREW FORREST

THE retrenchment deal struck last week between Anglo American's Freegold South and the National Union of Mineworkers is a key step towards joint management of the downscaling of the beleaguered gold mining industry. W/Mon 7/12 - 13/12/90

Containing unique features, it sets a standard for other mine retrenchment negotiations. The NUM is pushing for industry-level procedures in talks with the Chamber of Mines.

It coincides with the announcement that Gold Fields is to shed 3 700 jobs at its Doornfontein and Venterspost mines. 335

"Management and the union recognise that we are entering a new phase — if the gold price remains at current levels, significant downscaling will take place," said an NUM representative.

"Through the agreement, Anglo is accepting a bigger role for the union than ever before."

Besides the NUM's best-ever severance deal on the gold mines — two weeks' pay for every year of service — the agreement is highly unusual in that:

- Anglo has pledged to establish a R1-million fund, jointly administered by the company and the union, to facilitate alternative job creation.

- Anglo has agreed to discuss mine-level cost-saving mechanisms, including restructuring of Freegold, with the NUM.

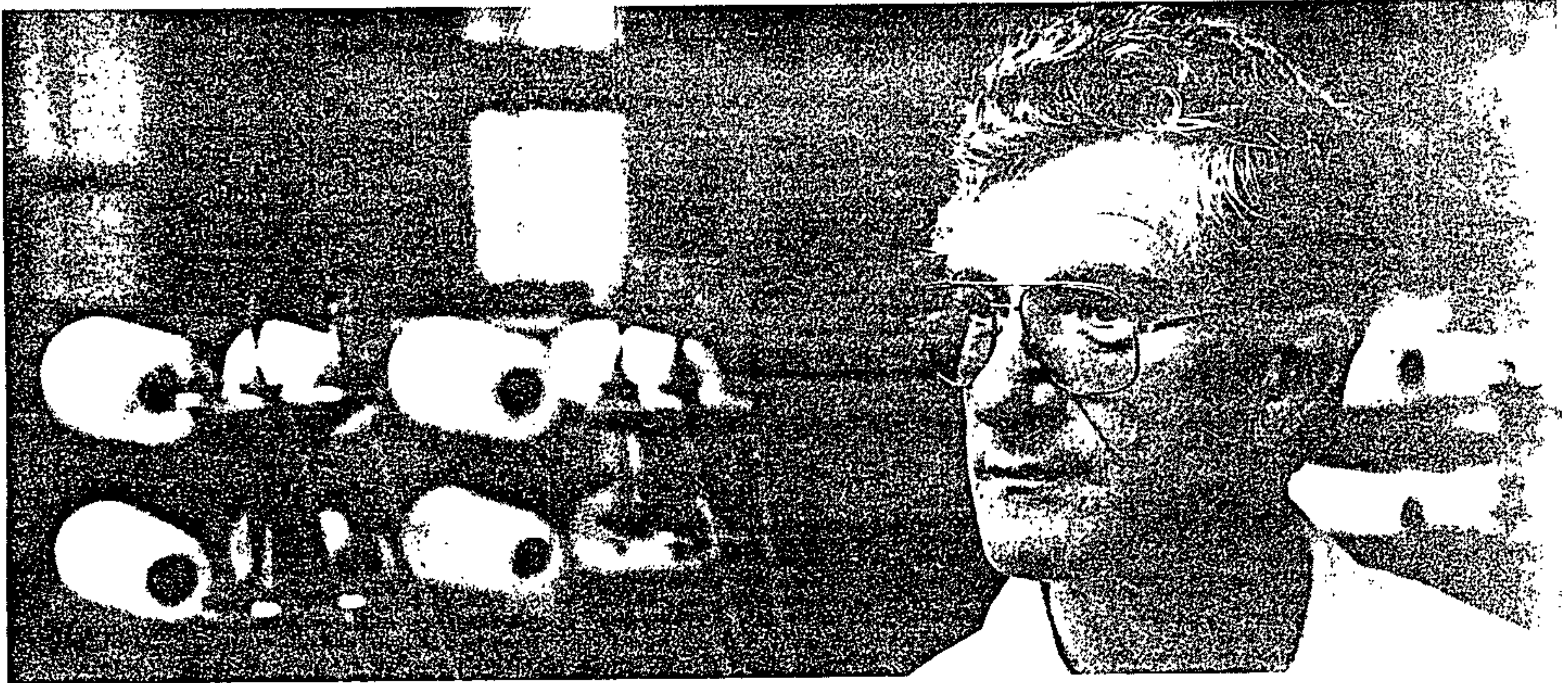
- It introduces a system of extended leave, which could more than halve the 7 800 threatened retrenchments. Workers will take a maximum of 90 days' leave a year, including paid leave.

The agreement also provides for a recall system; in terms of which Anglo undertakes to offer vacant posts to retrenched workers at current wage rates. Workers will be entitled to three notifications.

"The significant thing is that we have reached agreement on a very difficult issue at a very difficult time for the industry," commented Adrian du Plessis, public affairs manager of Anglo's gold division.

A FREE STATE TOWN FACES UP TO MASSIVE UNEMPLOYMENT ... WITH SURPRISING GOOD SPIRITS AND SOME SOUND COMMON SENSE

A long shadow falls across 42nd Hill



"Main Street's whitewashed windows and vacant stores, Seems like there ain't nobody going to come down here no more, They're closing down textile mills across the railway track, Woman says these jobs are gone and they ain't coming back ... — Bruce Springsteen in *My Home Town*."

A single factory closes, and the shock-waves batter a town. But hope lives on

DREW FORREST reports from Harrismith.
Photographs: KEVIN CARTER

WATCHING the crowds of Saturday morning shoppers, it's hard to believe this Free State community faces the same disaster as Bruce Springsteen's "home town".

A bumper Christmas may be in prospect but that's small solace for the shop-owners of Harrismith. "People have still got cash in their pockets," a cafe owner gloomily avers. "When the dust settles next year — that's when the problems start."

The closure of "the factory" — the Frame group's 60-year-old blanket mill — is on everybody's mind. Harrismith's major employer, with 1 100 employees, it accounted for up to 20 percent of the town's workforce and pumped R750 000 a month into the local economy.

The collapse of this lifeline industry fell against the background of a crisis in local agriculture, stricken by the worst drought in living memory.

Retrenchment money, notice pay and pension payouts are an immediate cushion, but in small ways white Harrismith is already registering the effects. The mill was a major ratepayer, and the town's most voracious consumer of water and power, points out mayor Mike van Niekerk.

With Frame relocating only three staffers elsewhere in the group, perhaps 100 whites are out of work. Scant local job prospects are forcing them out — 60 houses are said to be on the market, only two of which have been sold.

But like every other South African town, white Harrismith throws a dark shadow: the 42nd Hill location, tucked out of sight behind a nearby

koppie. Here the impact will be nothing short of seismic: 80 percent of those in formal jobs worked for Frame.

"It's a disaster, I'll have to shut my shop," says 44-year-old Johannes Mphuthi, who has just won an award for entrepreneurship from the township's chamber of commerce. Mphuthi ploughed every cent, including pension money, into the small building supplies business he launched a year ago.

On the grass outside the location hall, we talk to 50 retrenched workers, many of them women with children and some with T-shirts showing a clenched fist locked on a needle — the emblem of Cosatu's textile union.

"Jobs are getting less and people are getting more," sighs the former chief shop steward at the mill, Jerry Nyamathe. Fugitives from the violence beyond the Drakensburg and from drought-hit local farms are streaming into the squatter camp on the township's edge, he says.

Has anyone found other work? "Angeke!" (Never) is the chorused response, with the comment that workers axed four years ago when Frame closed its cotton mill are still jobless.

What of Tshiamo, a QwaQwa government industrial park on a barren plain 10km away? "The factories are still small, and workers earn R40 a fortnight," says Nyamathe. Wages at Frame ranged between R135 and R185 a week.

Rent, school and medical bills and higher purchase commitments are key concerns. Agnes Mofokeng, a single

mother of two, owes R2 000 in back rent. Faniel Moloi, arthritic and prematurely aged at 34, has a sick wife and four children.

On their membership of the South African Clothing and Textile Workers Union, they have no regrets — even though they believe it may complicate job-hunting in this conservative area. "Kuhle!" (Wonderful) is their verdict on Sactwu, accompanied by much hand-clapping.

Despite serving up to 40 years at the mill, they are oddly tolerant of the Frame group, saying only that they are "hurt" by the closure and their short notice. The state escapes less lightly: "People are angry with the government," says Nyamathe. "There's no training for the unemployed. There are changes, but they're too slow."

At the mill, which we tour with general manager Johannes van der Merwe, silent looms and spinning frames still carry signal-red material from the final order: blankets for the Department of Health. Frozen in mid-task, hoists lift rolls of Lesotho blanketing, once a speciality.

"There was no option — we just didn't have the orders," Van der Merwe says. Himself a casualty of the closure, he believes he will find work. "My worry is the black staff. They lack mobility; for many their job at the mill is all they know."

Van der Merwe refuses to accept that Harrismith might be doomed, pinning his hopes on border industrial development and the town's strategic position, equidistant from the Reef, Durban and Bloemfontein. The immediate



Petrus Maleka and fellow workers from the factory ... decent men and women in the grip of huge, impersonal forces

outlook is bleak, he concedes. "But when hardship arrives on the hill, I believe help will come from down here."

For Cas Human, Harrismith farmer and Free State leader of the Democratic Party, a key worry is the political stability of 42nd Hill.

The township, he points out, is led by a "comrade council" elected on a staggering 50 percent poll, and has been largely spared the unrest which has racked the Free State this year. Township residents share his fear of political violence and rising crime. "A hungry man is an angry man," one told us.

Human, something of a visionary, believes the answer is to re-open the mill under joint worker-management control, coupled with careful market research and a "buy South African" campaign. "You can't be a realist unless you believe in miracles," he comments.

His wife, "Pannie", the energetic chairman of the local *sakekamer*, is pushing hard for practical relief measures. "We're meeting workers to offer

General manager Johannes van der Merwe stands among the silent looms ... now he, like his work-force, faces unemployment

financial advice — some will have to survive on retrenchment money for a considerable time. And perhaps we can set up skilled seamstresses in their own business."

The chamber has also mooted a jointly controlled employment bureau whose first task will be to place those workers in immediate straits.

In essence, the Harrismith tragedy is one of ordinary, decent men and women in the grip of huge, impersonal forces. Seen as inefficient and in dire need of re-tooling, the textile industry was exposed to international competition last year when the government slashed import tariffs. Spun yarn imports have since leapt, and the industry has shed 6 000 jobs.

In the blanket trade, the last straw was a trade deal with Turkey — seen as a reward for its sanctions-busting role — allowing blanket imports to flood South Africa at a token tariff. With urban drift and township electrification, the market has contracted in recent years: of six Frame blanket mills in the mid-1980s, two survive.

Industry spokesmen accept the need for modernisation but argue persuasively that one cannot streamline an industry by destroying it. They are pressing the government for "breathing space" in which to adjust, as well as the "levelling of the playing field" — the same conditions as competitors. South Africa is the only country levying a surcharge and GST on imported plant, they say.

Remedial action, if it comes, will be too late for Harrismith — but the picture is not one of unrelieved gloom.

One thinks of the resilience and high spirits of jobless workers and the humane good sense of Cas and Pannie Human. If nothing else, the disaster may draw together conservative white Harrismith and its ragged *doppelgänger*, 42nd Hill.

Prieska mine to close next month

By DENNIS CRUYWAGEN
Staff Reporter

12/12/90
THE Prieska copper and zinc mine in the Northern Cape will close at the end of January.

Announcing this today, an Anglovaal spokesman blamed falling metal prices.

"Because the re-treatment of the low-grade dump is not viable it has been decided to close the mine," he said.

While most of the 600-strong workforce would be retrenched next year, some workers would be placed on other mines in the Orange Free State and the Transvaal.

"Some workers will be retained at the mine after it closes as the clean-

up operation will take some time."

He said most of the workers did not belong to a trade union and while some were members of the National Union of Mineworkers, the union was not recognised at the mine.

Union press officer Mr Jerry Majatladi confirmed about 35 mineworkers were union members.

Mine employee Mr Jacob Phillips, Mayor of Ethembeni, the black township, said he and colleagues had not been told of Anglovaal's plans.

"There have been rumours and we expect to be told today," he added.

"Most of the miners are black and many of them spend their money in Ethembeni. The town will suffer."

A father of two, Mr Phillips left

teaching seven years ago to become a clerk at the mine.

"I don't know what I will do. Maybe I'll go back to teaching."

Prieska businessmen said Anglovaal had been phasing out the mine over the past few years. But Armscor had moved in, off-setting the loss of buying power from the mine.

Deputy Mayor Mr Fanie Lombard said: "We will be affected to some extent but the blow will not be as bad as outsiders would think."

Armscor had bought farms in the region to establish a weapons testing site.

"This has stimulated growth in Prieska."

'Eat the bread' campaign in Cape

THE unemployed workers' "Eat the Bread" campaign will go ahead in rural areas in the Cape next week but has been postponed until next year in the Peninsula. 335

The campaigners intend to help themselves to bread and milk in targeted stores to highlight the plight of the unemployed. South 13/12 - 17/12/90

Western Cape Unemployed Workers' Union (Wecuwu) regional secretary, Mr Shahied Mohammed, said the protest would take place in Atlantis, the Boland and the Southern Cape.

Similar protests were planned to take place in the Peninsula, but Wecuwu this week decided to postpone these until the organisation was stronger in Cape Town.

When asked what would happen if protesters were arrested, Mohammed said Wecuwu would brief lawyers and hoped legal teams would be on hand when the protests took place.

He said shoppers who chose to join in the protests would be showing solidarity with the unemployed.

Unemployed workers 'to invade shops'

CMC 14/12/90 Staff Reporter

THE Western Cape Unemployed Workers' Union has threatened to "invade" supermarkets in some towns next week and help themselves to bread and milk.

According to regional secretary Mr Shaheed Mahomed, they also want to picket outside bakeries and dairies to highlight the plight of the unemployed over Christmas.

The union action is supposed to take place in Atlantis, Ashton, George, Plettenberg Bay, Knysna and De Aar.

Retrenchments are key issue

W/Maw 14/12 - 19/12/90

By DREW FORREST

ALMOST half the jobs shed by South African industry in the past two years have been permanently lost to the economy, according to a retrenchment survey by Andrew Levy and Associates.

Revealing this in its 1990 survey of labour relations, the consultancy predicts that job security is likely to dominate the labour field in the year ahead.

Labour will continue pressing for negotiations on all aspects of retrenchment, it says. Demands are likely to include a ban on temporary workers, non-enforcement of probationary periods, a living wage for employees of sub-contractors and skills training.

The survey also predicts that continuing high unemployment will further set unions against productivity deals, seen as a move "to produce more

profitably at the expense of jobs".

Other forecasts for next year include:

- Intensification of Cosatu's living wage campaign and for reduced hours at higher wages, coupled with demands for disclosure of company figures

- A continued union push for centralised bargaining and benefits, both at enterprise level and through the establishment of industrial councils

- A union focus on recruitment in the public sector and small business.

On the legal front, 1991 will be marked by a concerted push for the extension of the Labour Relations Act to farm, state and domestic workers. With the ANC, public sector unions will continue resisting privatisation.

The survey also predicts growing white worker militancy, and resistance to co-operation in the training of blacks.

● See Page 46

Models of Queen Elizabeth and former British prime minister Margaret Thatcher, from the television programme Spitting Image, arrive at the Spitting Image Rubberworks Exhibition which opened in Covent Garden on Saturday. The exhibition gives visitors the chance to see what goes on behind the scenes of a popular TV show.

Picture: REUTER

Free course on how to get employment

WITH retrenchments soaring, a computer academy has developed a 10-step job-seeking course, which it offers free of charge over the holiday period. (335)

The Academy of Computer Bookkeeping's pilot scheme provides for lectures which can be taken at convenient times.

Course presenter Bill Nourse said at the weekend many retrenchments were taking place over the festive period.

"We have spent hundreds of hours developing the course — 10-Steps To Get A Job — which we offer free of charge to the readers of Business Day.

"A lot of it is homework which the participant can take home and study in his own time."

The developers say the course has been designed to suit a wide range of job-seek-

THEO RAWANA

ers such as matriculants, tradespeople, graduates, the experienced and inexperienced and young and old.

Among job categories provided for are accountancy, bookkeeping, engineering, law, banking, mechanics, salesmanship, secretarial work, science and the technicians' vocations.

The system uses techniques which show the workseeker how to determine requirements for a job, decide on suitable employment, how to search for a new job and how to develop and prosper in a new career.

Nourse said the course was available during December and for at least the first two weeks of January. He can be contacted at (011) 483-1908.

THE WFA chairman... end that the... windows in motor... was incorrect... about vague

Gencor set to close mines, retrench 10 000

CAPL TIPS 12/12/90 331

From EDYTH BULBRING

JOHANNESBURG. — Gencor expected to close at least two of its gold mines and retrench 10 000 people next year if gold slid to a predicted \$340/oz, gold division MD Gary Maude said yesterday.

Gengold recently completed a scenario planning exercise and believes the outlook for the gold mining industry for the next nine months is gloomy.

Its "most likely" scenario is that gold will fall from its present \$376/oz to between \$330 and \$340 within the next three months. The gold price is expected to improve in next year's fourth quarter.

Within this scenario, Stilfontein and Grootvlei would close while Leslie and West Rand Consolidated would be in danger of closing, Maude said.

Maude saw a turnaround in the industry through a change of perception in the market place. The supply of gold was seen as increasing, while demand was decreasing.

A changed perception, leading to better gold prices, could be triggered by the closure of mines and the reduction in the supply of newly mined gold. The closure of Stilfontein and Grootvlei would result in the loss of 5 500 jobs. Gengold had reduced its workforce by 31 000 since the beginning of July 1988, of which 18 000 were retrenchments.

Marievale and Bracken mines were

being closed, which would mean a loss of a further 2 500 jobs.

The closure of Leslie and West Rand Consolidated would cost the industry 4 500 jobs. Gengold was considering the possibility of closing the No 4 shaft at the St Helena gold mine, which would lead to a further 300 jobs being lost.

Maude said Grootvlei mined 50 000 tons of ore a month and produced about 185kg of gold. Stilfontein mined 180 000 tons a month and produced 360kg of gold. Kinross, which mined 180 000 tons a month, produced about 1 050kg of gold at a profit of R8 000/kg. At the present gold price of \$376, both Grootvlei and Stilfontein were just breaking even, he said.

Maude emphasised that miners affected would be given retrenchment packages and preference in rehiring.

Gengold would spend R7bn over the next seven years on developing two new mines and expanding three existing operations.

Expenditure on the two new mines, Oryx and Weltevreden, would total R4,5bn and create 8 900 jobs. Oryx would come into production in 1992, while Weltevreden would start producing a year later.

The likely expansion at Winkelhaak, Kinross and Beatrix would cost about R2,25bn, would create 2 400 new jobs and increase monthly ore production at each mine by about 60 000 tons, he said.

Company finds jobs for those retrenched

Art. Tint 18/12/90

335

Staff Reporter

THE management of Gant's Foods have found work in the Western Cape for about 1 000 workers it has retrenched from the company's Strand plant.

Managing director Mr A J Robinson said yesterday the retrenchment programme had been completed by the time the factory closed for the Christmas holidays last week.

When the factory re-opens on January 9 next year, 400 people will be re-employed in the meat section of the factory, he said.

● Meanwhile, WP Local Authority Workers' Association organising secretary Mr Leonard Koza has criticised the Regional Services Council for not attempting to transfer more than 200 road workers it has retrenched to other jobs within the RSC.

An RSC spokesman said limited funds being made available by the provincial administration to the RSC lead to the retrenchment of 221 workers last Friday.

Company finds jobs for those retrenched

CHIEF TINTS 18/12/90

720

335

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50 000 job losses predicted for 1990

335
B/DAY 19/12/90
CHARLOTTE MATHEWS,
MARC HASENFUSS and GARETH BELL

RETRENCHMENTS in all non-agricultural sectors in SA could reach 50 000 next year, says Bankorp chief economist Nick Barnardt.

He based his projection on Reserve Bank figures in the latest Quarterly Review.

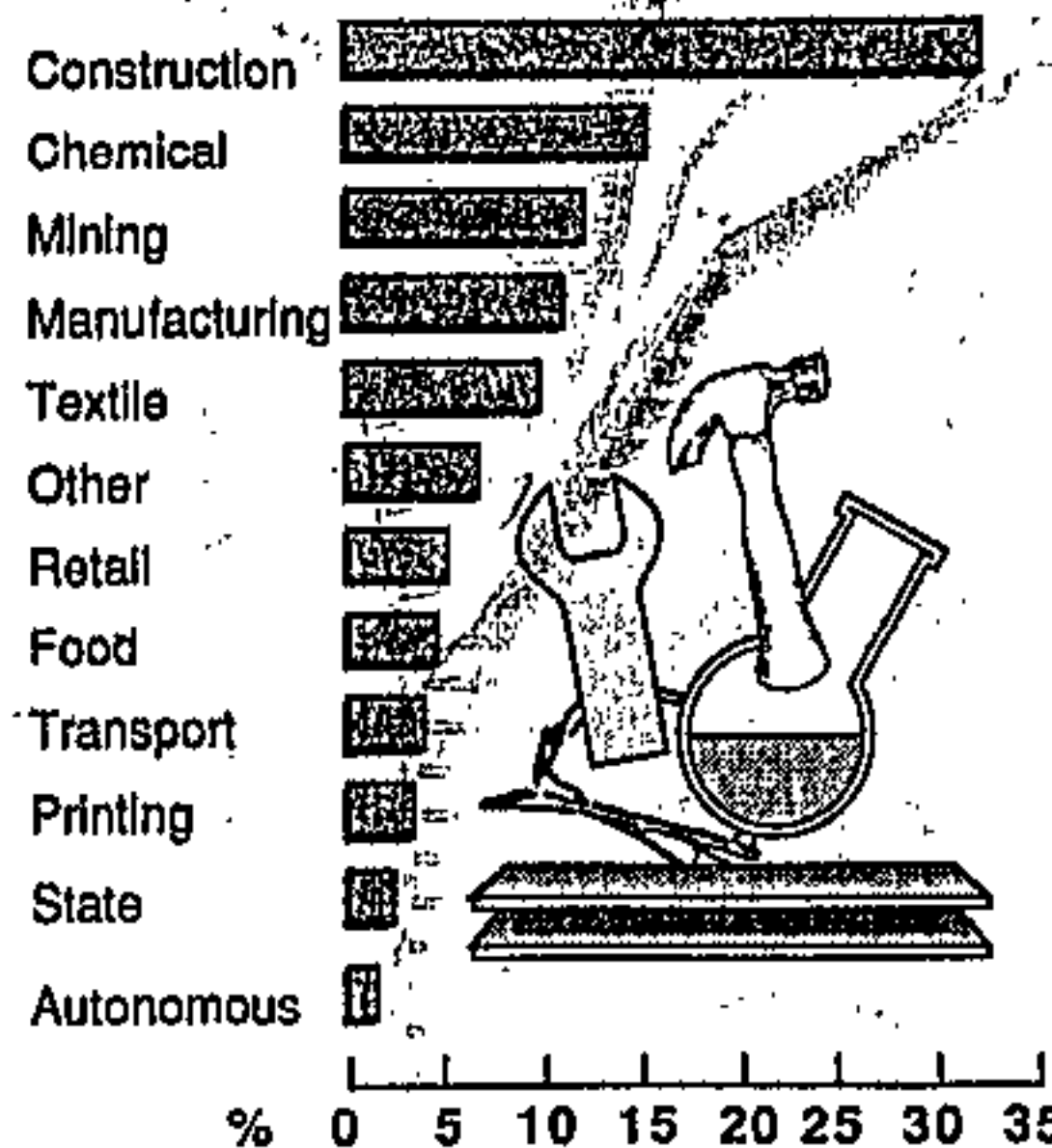
The figures showed that the seasonally adjusted index of employment in the non-agricultural sectors declined by 0,5% to 109,7% in the second quarter of 1990 from 110,3% in the first quarter.

This translates into an actual employment figure of about 5,45-million in the second quarter from 5,48-million in the first quarter, showing that nearly 30 000 people left employment or were retrenched in that period.

Barnardt said although statistical evidence was lacking, anecdotal information suggested that the drop in employment continued into the third quarter, and new entrants into the labour market should be added to these figures to give a total unemployment picture.

An unconfirmed estimate is that about

Retrenchments by sector 1989/90



Graphic: LEE EMERTON Source: ANDREW LEVY & ASSOC

300 000 people enter the labour market each year.

"Adding to this problem is not only the decline in production in the economy but also the sharp increase in the cost of labour

□ To Page 2

Retrenchments

as a result of higher wage demands.

"In 1991 we believe the economy will shrink further but wage demands will continue to exceed the rate of inflation, adding a further negative dimension to the overall employment figure. So we are forecasting at least a 1% decline in employment next year, which translates into another 50 000 to 55 000 people laid off."

Barnardt's estimates were confirmed by Steel and Engineering Industries Federation of SA (Seifsa) industrial relations division manager Patrick Shortt, who estimated between 20 000 and 30 000 retrenchments had taken place in these industries in the past three months.

This represents 6% to 9% of the total employment of 330 000 in the iron, steel, metal and engineering industries.

Shortt added that a number of companies had retrenched before the shut-

down period but others were probably waiting to see if orders would come in in the new year.

Employment in the mining industry has dropped by 80 700 since June 1987, when the number of employed peaked at 527 000, according to the Chamber of Mines (CoM).

Retrenchments, mainly in the gold mining industry, amounted to 43 000 workers during the 15-month period from June 1989 to November 1990, CoM statistics showed.

CoM external relations GM Johann Liebenberg said the rand/dollar exchange rates and gold price, coupled with escalating working costs, could result in even more jobs being lost next year.

Andrew Levy & Associates (ALA) senior consultant Brian Allen said sample testing suggested retrenchments had escalated in the second half of 1990.

□ From Page 1

'Major hunger tragedy' on way

Star 19/12/90

335

By Dawn Barkhuizen

South Africa is on the threshold of a major tragedy with a harsh drought and economic recession heralding unemployment and hunger, said Operation Hunger executive director Ina Perlman.

The situation would be exacerbated by a growing Aids epidemic.

By the year 2000, most hunger relief funds could be channelled to Aids orphans, she warned.

For the short-term future, Mrs Perlman predicted "savagely reduced crops at best" in the Northern Transvaal for black and white farmers.

Many destitute

Every farmer that "went to the wall" represented anything between 20 and 100 families dumped in a desperate situation.

In addition, many families were destitute as a result of the closure — with devastating effects — of factories throughout the country.

Many retrenched workers had been the sole breadwinners of families in rural areas.

Studies by Operation Hunger on rural vulnerability showed that black families in these

areas were 80 percent dependent on income from outside.

She cited an example in East London, where the closure of three factories had been followed by a 300 percent rise in incidents of malnutrition at nearby Mdantsane Hospital in Ciskei.

The organisation must raise R2 million before January to avert a "black Christmas period" for the millions of people it feeds.

In Operation Hunger's newsletter, the following retrenchments or impending retrenchments were reported:

- Gants Foods in the Strand, Cape, intends laying off 1 000 seasonal workers after the closure of its deciduous fruit canning operations. This was as a result of sanctions.

- About 900 workers would be retrenched when the Frame Group closed two factories in East London. Executive group chairman Mervyn King blamed the Government's import policy. The company would also close a plant in Harrismith with the loss of 1 100 jobs.

- Mercedes-Benz in August said it intended laying off 825 employees because of the downswing in the economy.

- An average of 8 000 miners had been retrenched every

month, according to the National Union of Mine Workers. By September, 50 000 had lost their jobs, and another 78 000 faced retrenchment with the threatened closure of marginal mines.

- Armscor in September cut their workforce by 9 000. It was estimated that for every worker laid off, subcontractors retrenched two people. Defence cutbacks are therefore estimated to have cost 60 000 civilian jobs.

Payroll down

- Transnet has cut its workforce by 64 000 in the past five years.

- The Eskom payroll was down from 66 000 to below 51 000. About 1 500 colliery workers in the eastern Transvaal and 2 000 power station employees stood to lose their jobs as a result of Eskom's decision to mothball three of its older power stations.

- In the engineering industry, 14 000 workers were retrenched between January and August this year, according to the head of the economic division of the Steel and Engineering Federation of South Africa, Michael McDonald.

Ergo to slash 600 jobs in cut-back plan

Chrt 7/9/85 20/12/90
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JOHANNESBURG. — East Rand Gold and Uranium Co (Ergo), which produces gold from slimes, says it will rationalise operations in the first quarter of 1991.

Chairman Clem Sunter said in a statement issued yesterday that the flotation plant, the uranium plant and the larger of two acid plants would close by April. Operations at the Simmergo plant would be curtailed.

The carbon in leach section and the small acid plant would continue operating at present levels.

Sunter said about 600 jobs would be lost by the closures. Every effort would be made to relocate employees.

The announcement follows an investigation into the Ergo division which showed that some operations would no longer be viable at ruling product prices, the statement said.

As the cut in working costs was forecast to exceed the decline in revenue, the closures would prolong the life and substantially enhance the profitability of Ergo at current gold price levels, Sunter said.

Existing uranium and acid supply obligations would be met.

In the year ended March 31, total gold production fell slightly to 11,732kg, from 11,992kg the year before.

Unemployed to eat bread, drink milk in living costs protest

w/Man 20/12/90 - 10/1/91
By GLENDA DANIELS: Cape Town (335)

UNEMPLOYED workers this week intend eating bread and drinking milk in supermarkets and holding pickets outside bakeries, dairies, manpower offices and supermarkets to highlight their plight and protest against the rising cost of living.

These actions will take place in Atlantis, Ashton, George, Plettenberg Bay, Knysna and De Aar, said secretary of the Western Cape Unemployed Workers' Union (UWU) Shaheed Mohamed.

The UWU said in a statement this week that they held the government responsible for unemployment in the country.

"The unemployed have been waging a determined battle for survival against all odds. We forge links with each other as unemployed workers who in this country are always at the bottom of the pile. We are building a national union under Cosatu."

The union said there were more than 10-million unemployed workers in the country and that every year fewer than 40 000 jobs were created. "This means for every 10 school-leavers only one stands a chance of getting a job. The UIF system is inadequate — most unemployed don't qualify. Those who do, get less than half of their previous wage for only six months."

The union feels that the government's three-week instant training courses "are a joke to employers at the expense of the unemployed, who gather certificate after certificate but no job".

The unemployed have had marches and pickets disrupted in Cape Town, Knysna, Robertson, Ashton, Plettenberg Bay, Mossel Bay, Oudtshoorn, De Aar, Beaufort West, George and Atlantis over the past year.

The union said: "The government has not responded positively to our demands, instead it cynically raises the price of bread the day after one of our meetings with them."

"While on the one hand many organisations, including the rest of Cosatu and many ANC branches have hung up their struggle boots for the festive season, on the other the government grants reductions in sentences to common criminals. There is no reprieve, however for the unemployed, political prisoners or exiles."

The demands are as follows:

- Lower the price of bread and milk.
- Scrap GST and VAT on all basic foods.
- Provide work for all at a living wage or a living unemployed benefit.
- All charges against protesters in the bread campaign should be dropped.
- End the import of labour from Eastern Europe.
- All political prisoners and exiles to be home by Christmas.
- Koevoet and the SADF to leave Khayelitsha.

'Don't blame the unions for high unemployment'

By DENNIS CRUYWAGEN, Argus Political Staff

DON'T blame demands by trade unions for higher and better wages for the high unemployment rate, says Mr Ebrahim Patel, national education secretary of the SA Clothing and Textile Workers' Union.

The decline in jobs raised its head long before the emergence of strong trade unions, he said.

He was responding to claims by Stellenbosch University's Bureau for Economic Research that increasing unemployment together with irresponsible trade union demands which were out of touch with economic realities had destabilised the labour market and created a climate for social unrest.

He said: "It is wrong to blame trade union demands for high unemployment. The economy's inability to create jobs in our view is in part caused by the decline in the quantum of gross domestic fixed investment. GDFI today is lower than in 1980.

Fundamental inability

"When employers refuse to invest in new plant and plant expansion, then obviously unemployment will rise as new job entrants enter a stagnant employment market."

The greatest contributor to high unemployment was not factory closures, but the fundamental inability of the economy to absorb newcomers into the labour market.

Figures released by the Development Bank recently showed this clearly, he said.

Between 1965-1970, the economy absorbed 73,6 percent of new faces entering the formal employment sector; it was down to 62,7 percent in the next five years; but has slumped to 12,5 percent in the past five years.

According to Mr Patel, the BER was part of a school of thought which held that workers were protected against retrenchment when wages were low. They were more likely to be paid off when wages are high.

Sactwu is the biggest trade union in the Western Cape with 70 000 signed up members.

It's experience showed that showed that this generalisation was nonsense.

"Many employers in low wage areas such as Isithebe and Botchabelo do retrench workers when there is no demand for their products, and many metropolitan high wage companies continue to expand. When real wages in the Cape clothing industry in 1985 were substantially lower than what they are now job losses, too, were greater."

Mr Patel claimed that the BER study ignored the fact that wage costs were a small and declining proportion of

total South African manufacturing costs.

"More pertinently, it ignores the huge disparities between managerial remuneration and blue collar worker wages in South Africa compared to most of its trading partners. This historical inequity has only recently been addressed by trade unions."

At the heart of the BER view was a call on trade unions to exercise wage restraint, he said.

"Trade unions have not refused in principle to consider the effects of wage increases on the economy."

They have put forward their views that the current recessionary conditions were a direct result of the Reserve Bank's monetary policy of high interest rates.

"This policy has been made necessary because of high inflation. High inflation has historically been attributed by the Reserve Bank to fluctuations in the value of the rand (not high wage demands) and by business leaders to excessive public sector expenditure (not high wage demands).

"The cost of correcting these problems however, are increasingly being shifted onto the shoulders of the workers — with retrenchment calls for wage restraint."

Apartheid has depressed wages over more than three decades.

Apartheid era

This was done through through controls on the supply of labour (influx control), expenditure on training labour (the pitiful amounts spent on Bantu Education), repression against attempts to organise labour (refusal to recognise trade unions, detentions and bannings of trade unionists).

"The programme to overcome apartheid is also a programme to increase black earnings in real terms — above the rate of inflation. To do anything else would be to condemn workers to the wage rates of the apartheid era."

He accused the BER of seeing labour as merely a cost to be minimised.

"To the trade unions, and indeed enlightened employers, labour is a resource to be maximised, not a cost to be minimised. The route to labour stability, a competitive, growing economy and increased foreign investment does not lie with a low wage economy.

"It lies instead in an economy where the state and employers invest more in training the workforce, in modern technologically advanced plant and machinery and in a workforce whose decent incomes generate a vast domestic market."

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QKD

Thousands more jobless next year — prediction

MLG 45 2/12/90 335

The Argus Correspondent

JOHANNESBURG. — Thousands of people will return to work next month to find they no longer have a job.

This is the tragic prediction of leading personnel consultants and economists who believe unemployment will replace inflation as South Africa's number one problem in 1991.

In a volatile and sensitive political situation many companies will probably wait till after Christmas to cut jobs, says one personnel consultant.

Others agree that although many firms initially relied on natural attrition and early retirement to reduce their workforce, cost-cutting retrenchment programmes will escalate next year as the economy deteriorates.

HIGHLY DESTRUCTIVE

But while shedding workers may reduce costs in the short term, in the longer term it is a strategy that could be highly destructive.

Employers are uncomfortably trapped between conflicting pressures.

They must lay off workers, both skilled and unskilled, at a time when the country is facing a huge skills shortage.

Apart from the sense of betrayal which heavy redundancies create, many skilled people may emigrate and be lost to the country for ever.

PE Corporate Services director John Cole said both young and old were bearing the brunt of the recession.

"Unsophisticated or smaller companies generally opt for a last in, first-out approach, or retrenchment of lower level staff before higher level staff.

"The sophisticated firms get management consultants to help them and may take 10 percent off across the board, from top to bottom.

Mr Cole said firms needed to be flexible on wage costs.

UNIONS SUSPICIOUS

"In the US, companies with their backs to the wall will ask their employees to take a wage cut. "But this does not go down well in South Africa. Trade unions tend to look with suspicion on these moves."

"Certainly more companies in South Africa today are telling employees: 'Rather than retrenchment, we are not going to increase wages or perhaps not pay a bonus'."

One of the biggest problems in reducing numbers was that it was often done without taking account of the firm's overall strategic objectives.

"When there is a revival those firms who have cut staff without regard to key requirements will have to pay more to recruit employees."

Job outlook bleak for army leavers

By Helen Grange

8 Dec 28/12/90

Hundreds of national servicemen — due to leave the army next month — are likely to battle to find jobs in a depressed employment market.

Some servicemen from Natal — a region more economically depressed than the Transvaal — have already been looking for work for months.

Servicemen will be competing with hundreds of newly qualified university graduates, matriculants and other ex-servicemen.

Many town councils have set up forums to facilitate returning servicemen in finding jobs.

According to Commandant Pieter Breytenbach, Natal Coordinator of the SA Defence Force Orientation Services, this year has been particularly bad because the reduction of the period of national service to one year meant that twice as many servicemen as usual came into the job market.

"Most servicemen have not worked before, so they have not paid anything into the Unemployment Insurance Fund. This means they are not eligible to draw from the fund and will become financial burdens to their parents," he said.

Employers were becoming increasingly selective and were demanding higher educational qualifications. Many servicemen had only matriculation certificates and some were even less qualified.

Colonel Garry Whyte, senior staff officer for the SADF Ori-

entation Services, said job shortages in the Transvaal would not be as severe as in Natal or the eastern Cape, where industries had closed and labourers been retrenched.

"There is not a drastic shortage of jobs in the country as a whole. The problem arises with the group of national servicemen with particularly few qualifications.

"This group competes strongly for labour positions, and battles to find work," he said.

However, there was apparently still room for matriculants, and the fact that servicemen were coming into the job market at the beginning of the year — when jobs are most available — meant there would be more opportunities.

Appeal

The regional director of the Department of Manpower, Hennie Venter, has nevertheless urged servicemen to get some form of tertiary education.

But he warned those intending to study further that technical skills, not academic qualifications, were most in demand.

Employment agencies say matriculation certificates are not automatic tickets to employment.

● The Benoni Advisory Board for Servicemen and their Dependents has made an urgent appeal to all employers prepared to employ national servicemen to furnish details of work opportunities.

The board's secretary, P W A de Beer, can be reached at (011) 845-1650 ext 2274.

Experts tell why tens of thousands are losing jobs

At least 70 000 workers have lost their jobs since the beginning of this year. The hardest hit was the mining industry where close to 30 000 workers were made redundant.

The iron, steel, metallurgical and engineering industries retrenched more than 10 800 workers over between July and October. Statistics for the rest of the year are not available, but a spokesman for the industrial council for the iron, steel, engineering and metallurgical industries said drastic retrenchments had taken place in the latter half of 1990.

In the clothing, textile and knitting industries, well over 7 000 workers lost their jobs. Transnet announced a few weeks ago that it planned to reduce its workforce by about 60 000 by the end of 1991.

Crisis

Labour experts predict a worsening of the crisis next year, with many companies waiting until after Christmas to start rationalising.

Why the crisis? Andrew Levy & Associates consultant Brian Allen attributes the deepening crisis to increased labour costs.

Companies cannot cope with unions' escalating wage demands. In previous years, when the economy went through rough times, companies could "still afford to carry labour" because wages were lower and union demands more acceptable.

If the current economic situation continues next year, which is more than likely, retrenchments would soar at a higher rate than this year, Mr Allen believes.

Trade unions would have to be more realistic about the economic situation and weigh the cost of higher wages against job losses, he says.

This year could be described as the year of retrenchments — unionists and employers believe it to be the worst on record. SHAREEN SINGH reports on the crisis and the conflicting views on the reasons behind it.

In the mining industry, employers were forced to rationalise and close shafts, and would possibly shut down entire mines next year, because of the low gold price and rand-dollar exchange rate, says Chamber of Mines spokesman Johan Liebenberg.

Profits and dividend payments to shareholders have declined over the last few years, he claims.

A substantial burden for mining houses are labour costs. Unions have become accustomed to demanding increases based on, or higher than, the inflation rate, which is not economically viable, he says.

Professor JI Sadiq, of the Bureau for Economic Research, blames trade unions for the increasing loss of jobs because of their "irresponsible demands".

In the current climate of "unrealistic union demands" and uncertainty over whether workers would turn up for work, companies were finding it less costly and more profitable to replace labour by capital machinery.

The "rather aggressive stance of unions, encouraged by the ANC's policy of mass action and destabilisation", had resulted in labour market instability, loss of business confidence and a severely affected economy.

"Unions have themselves to blame — they are pricing their members out of the market," Professor Sadiq says.

A Labour Research Service

(LRS) economist, on the other hand, argues that companies should be grateful to unions for pushing for higher wages, which increases consumer spending and in turn benefits the economy.

Higher wages are a positively good thing for the economy, he urges, because they force employers to upgrade their workforce and invest in training and capital, thus increasing productivity and the quality of goods produced.

The temporary technical downturn in the economy has contributed partly to job losses, which was expected when economies go through difficult phases.

Solved

But the real problem lies in employers' failure to invest in new productive capacities. Fixed investment has been falling since early last year, particularly in the manufacturing sector, though the population is growing rapidly, he says.

And decreasing capital stock has a direct bearing on employment levels.

"It seems that bosses are on strike," LRS says, because they are not fulfilling their contribution to the economy. Instead of providing capital, they are allowing capital stock to decline.

Until investment dramatically increases, the unemployment problem would not be solved. This onus rests directly on the

There are about 368 000 newcomers on the job market yearly and only about 45 000 get jobs, which amounts to a 12.5 percent absorption rate.

Reinforcing the LRS view, unionist Ebrahim Patel from the South African Clothing and Textile Workers Union says the economy's inability to create jobs is caused partly by the decline of gross domestic fixed investment.

"When employers refuse to invest in new plants and factory expansion, then obviously unemployment will rise as new job entrants enter a stagnant employment market," he says.

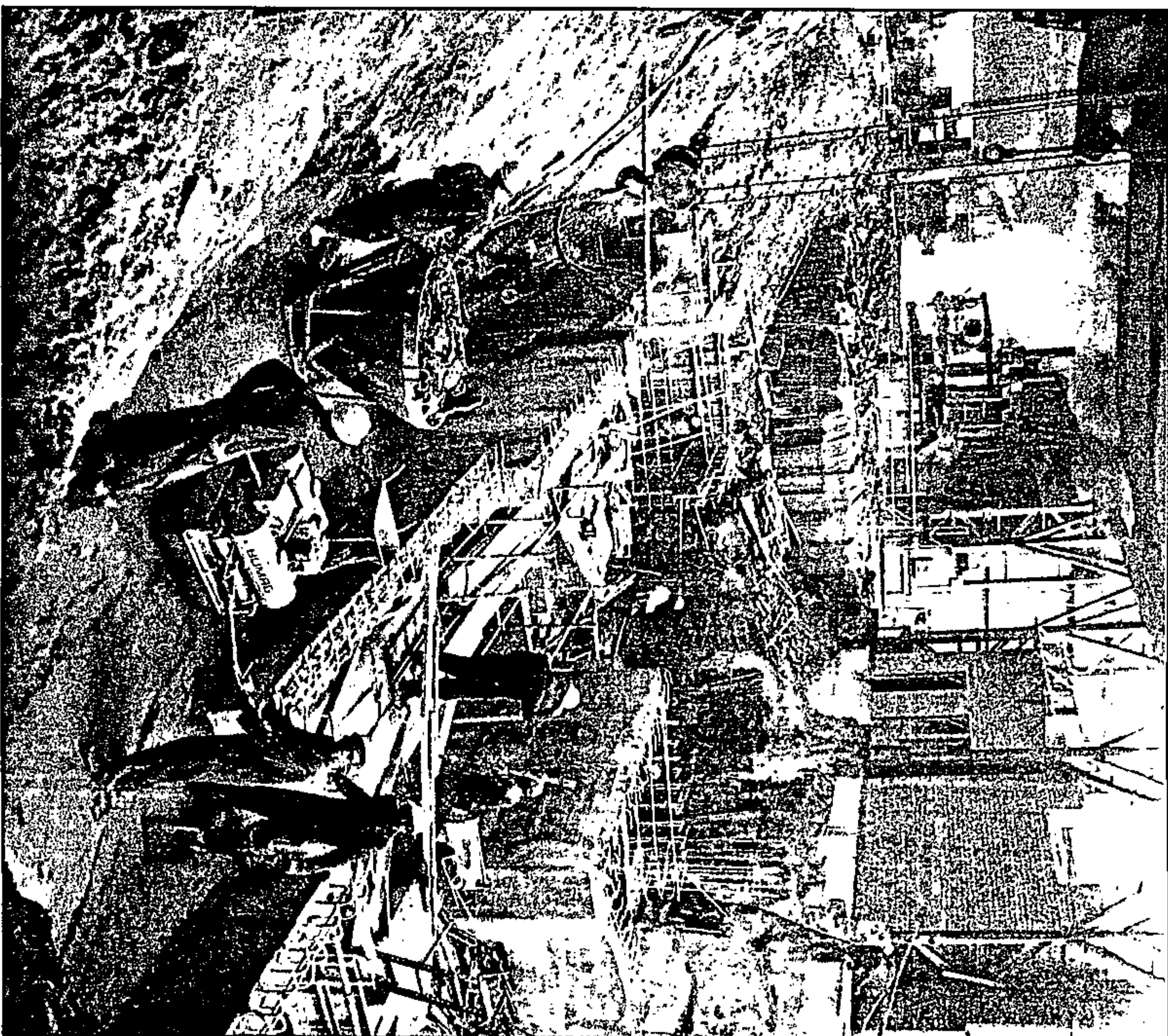
Employers argue that high wages are a major contributory factor to high retrenchments, but there is no guarantee that low wages protect jobs, Mr Patel says.

In the clothing industry, 9 000 workers were retrenched in the Cape alone in 1985 at a time when trade union militancy was unheard of in the industry and when wages were extremely low.

Low wages have also not stopped retrenchment in the mining industry, he adds.

In response to the current recession, the Government is trying to lower inflation by increasing interest rates. But the higher the interest rates, the lower the economic growth, which workers pay for by losing their jobs. The high inflation rate is not the fault of workers, but the Government's apartheid policy, he argues.

Workers are paying to rectify the consequences of apartheid through factory closures, retrenchment and short time. Unions would fight the retrenchments in the short term by negotiating job security with employers, Mr Patel says.



Gloomy future . . . At least 70 000 jobs have been lost this year, mostly in the mining and industrial sectors where management says the costs of labour have become too high. And prospects for the new year are decidedly grim.