FINANCE - LABOUR

Most belong to trade unions

Nine out of 10 clerical employees of the two largest banks — Barclays and Standard — are members of trade unions representing all races.

The South African Society of Bank Officials was established as a 'White trade union' in 1915 because 'there were only Whites in banking at the time."

"Separate Coloured (and Indian) and Black trade unions were established more recently on SASBO's initiative because South African legislation no longer permits a single union for all races," says Mr. Andre Malherbe, general secretary, of all three unions.

"But we firmly believe there should be only one trade union to eliminate the possibility of sectional interests."

Negotiations

As it is, SASBO's staff and offices serve all three unions from the organizing stage right through to negotiations with the banks.

"Since the banks have the rate for the job — equal pay for equal work — it could be argued that no additional advantages have accrued to Coloured, Indian, and Black employees by virtue of their trade union membership," Mr. Malherbe says.

"But trade unions are more effective if they can speak for a large membership, and the banks benefit because trade union members of all races know that they have a say in their pay and working conditions."

"Justice is seen to be done — and it makes for happier race relations and working relationships all round."

These are the arguements with which SASBO is pressing for full recognition by the banks of the Black banking union, SABEU, which was established in 1973.

"Like all Black trade unions in South Africa, SABEU lacks Government recognition and cannot be registered as a trade union," Mr. Malherbe says.

"But that does not prevent employers from negotiating with it and giving it de facto recognition."
Bank strike threat

DURBAN — Bank employees are prepared to take firm action against their employers if they do not receive substantial increases soon.

Mr. A. Malherbe, general-secretary of the South African Society of Banking Officials, said last night that his organization was prepared to take a ballot for strike action if negotiations for wage increases with the two largest commercial banks in the country deadlocked.

Addressing a crowd of almost 300 at the annual meeting of the Durban branch of the society, he said: "Commercial banks profits were continuing to escalate despite the present economic depression in the country.

"For this bank staff must take credit and I believe they must be rewarded for their efforts," he said. — DDC.
No Joy from Abroad

BRINGER of bad tidings is Bob Aldworth, managing director of Barclays, who has just returned empty-handed from London after trying to raise two small loans for South Africa.

He reports that most British and American banks feel that their current lending to this country constitute their limits as far as exposure to South African political risk is concerned.

Also worrying from a long-term point of view is this report that local business is finding it almost impossible to fund expansion internally. This, coupled with the inability to borrow overseas, could have enormous repercussions if and when the economy starts to pick up.

Chris Henuis, Minister of Economic Affairs, has stated emphatically that the Government has no intention of prematurely changing its present restrictive monetary policy for one that might stimulate the current depressed situation.

The change would be delayed until "there was a substantial and prolonged improvement in the current account of balance of payments and until the gold and other foreign assets have been built up to a level which could safely accommodate an upswing in the economy."

GOLD see-sawed this week around the 130 dollars an ounce level. While gold bulls held their breath it broke through the 130 level giving rise to a certain amount of hope of sustained upward movement only to fail back in an obvious tumble as volume selling took place.

Despite the fall an underlying strength appears to be exerting itself which could, after several hic-ups, carry the price higher.

Sun Trib Finance
Insurance agents in wages dispute

By DIAGO SEGOLA

SEVENTEEN agents for a Johannesburg burial society claim they have not been paid basic salaries for up to four months.

They claim that their employer, the United Burial Society:

1. Promised to pay them R100 basic salary plus commission for men and R75 basic salary plus commission for women.

But the agents say they were never paid the promised salary. All they received was the commission.

2. Later changed the agreement so that they could get their basic salary only when they reached a sales target of R300.

But those who reached the target were still not paid the basic salary.

3. Expected them to canvass for seven days a week without providing them with transport to take them on their rounds.

4. Promised to pay their salaries every time they complained but up till now none had received their salary.

5. Threatened to sack some of them when they spoke up about their grievances.

West Rand Administration Board officials have told the Industrial Aid Society which represents the agents, that they had records of all the agents' contracts with the burial society. The contracts stipulated a minimum salary of R100 for men and R75 for women and the contracts were binding.

One of the agents, Mr Walter Tsotetsi, 31, said he started with the company in January and was promised R100 plus commission.

Later he was told that he would receive the R100 basic salary only when he reached a target of R300.

"I have reached this target several times but as up till now I've not been paid anything. The only money I've got so far is R50 which I was told was my commission," Mr Tsotetsi said.

The director of the burial society Mr P A Burger, was not available for comment but a spokesman for the company, Mr J Mataja, said the agents' complaints were groundless.

He said the company, paid agents in the same manner as other insurance companies.

He said the agents were not promised a basic salary when they were taken on. They earned 40% of the amount they brought in and only received a basic salary after reaching the R300 target.

All the company's agents were registered workers Mr Mataja said.

He confirmed that no transport was provided for them but said beginner agents were given a cash advance to help them on their rounds.
The SA banking community has taken a sound step on the road to equal job opportunities for white and black.

Job opportunities for blacks in banking are improving rapidly. The reason is not as much philanthropy as economic necessity.

"In the boom years of the early Seventies, the shortage of whites led us to look for blacks to do the job," Bob Aldworth, MD of Barclays National, tells the FM. Philip Bacchioni, Nedbank's assistant general manager for personnel, agrees: "The increase was dictated by supply and demand."

The figures speak for themselves. Of the five banks approached by the FM, all except Volkskas (where not more than 40 of the 7,000 strong clerical staff are black) showed marked increases in black clerical staff. (By clerical staff is meant all employees from the MD downwards, excluding drivers, cleaners and the like.)

Most impressive was Nedbank, which claims that 15% of its total clerical staff is black (i.e. African, Indian or coloured).
This represents an increase of 5% from 1972. Close on its tail is Trust Bank, whose assistant general manager, Koos Kotze, claims a figure of 14%.

The percentage at Barclays has shot up from 2% in 1972 to 12.7% in 1978. And Barclays anticipates a shortage of 3,000 male employees by 1982 - which means that a further increase is on the cards. Standard Bank's 1978 figure is 11%, against 2% in 1972, according toRoy Terry, Standard's group public relations executive.

In most banks, blacks in executive positions (managers, accountants, and assistant accountants) remain scarce, although this is likely to change. It is the policy of banks like Barclays and Standard to staff branches in black areas as far as possible with black personnel. And Barclays foresees the time when black executives will play an important role in white-urban areas as well.

At present, Barclays has one coloured and four African managers, as well as 13 other executive officials. It also employs 20 blacks as business development officers. (Barclays had no black managers at all in 1972.)

Trust Bank has no black managers at all - but then, explains Kotze, Trust has no branches in black areas. It does, however, employ black development officers. Standard, on the other hand, has four black managers, and 23 black officials supervising the work of five or more employees. Nedbank has one black accountant.

The chief problem is training, since it takes 17 years to train a manager. Barclays, heads the field in this respect, with special training courses condensed to seven years. Since the group expects to need 152 black executive officials by 1982, and 200 by 1987, this aspect is indeed crucial.

"Unfortunately, we did not start our programmes early enough," says Airdworth. "We should have started five years before."

Movement has been rapid, but, according to Vincent Nkosi, president of the black brokers union, Sabe, not rapid enough. "The only advances we see are in township branches," he tells the FM. "Members have complained to the union that the movement is too often horizontal rather than vertical."

Barclays pays the rate for the job - and expects the same standard from all its employees. Same with Nedbank, Trust Bank and Standard. "Salary increases are granted on merit, not on any racial basis," says Kotze.

Bursaries and pensions

Blacks usually start off at a disadvantage, due to inferior educational opportunities. Barclays counters this by providing bursaries to children of black staff, with the guarantee of a job when they get their matric. 365 such bursaries have been awarded, with 324 still current. The venture cost Barclays R27,000 in 1977.

Standard has a similar bursary scheme for all its employees, white and black, and neither Trust nor Nedbank provide in this way.

Pensions and other fringe benefits are identical for all racial groups. Only in African housing is there any differentiation, chiefly because of the legal difficulties in obtaining mortgage bonds on property in African townships in white areas.

However, new developments in legislation on home ownership have changed the picture somewhat. Barclays is now offering low interest loans to black employees to buy houses.

"We are encouraging our employees to buy more prestigious houses in Selection Park, a new suburb in Soweto," says Airdworth.

Terry tells the FM that Standard offers loans at a reduced rate "to enable blacks to purchase the right to occupy a dwelling," and Trust is investigating the position in the light of new legislation.

"Nedbank is committed to a housing scheme as soon as the necessary legislation is passed," says Brechner.

Other thorny issues are attitudes of staff and customers, although there is very little open friction. "Customers raise few objections, as long as they get efficient and courteous service," says Airdworth.

André Malherbe, secretary of the white banking union, Sasbo, claims there has been no backlash from white employees. "There is no threat to white workers because no one is being pushed out," he says. "The increase is a result of natural expansion."

But banking is not independent of the broader society and its racial divisions. A recent survey of staff attitudes at Barclays shows that, despite progress being made, there is still a degree of frustration, and possibly a communication gap.

"White management sometimes resents carrying the burden of the accelerated training projects. Blacks are often frustrated at not having their career paths laid out for them," says Airdworth.

"Financial Mail May 12, 1978"
huge Land holdings
Banks at odds over

BY PENELOPE MORAN

SHARE contracts have
By BILL CAIN

KEY manufacturers in secondary industry are madding full capacity barriers. Statistical indicators suggest businessmen will soon have to make big investment decisions or risk getting left behind.

"Capital investment is still sluggish," says Seisa's Dr Enrol Drummond. "If the current improvement in overall capacity utilisation continues throughout the second and third quarters, new investment programmes should get underway in the final quarter."

AHI economist, Dr Pieter Viljoen, adds: "Some industries report investments up between 12.5% and 30%. Others are concentrating on overtime and additional shifts."

Already five main sectors — clothing, iron and steel, leather, furniture and paper — have broken the 90% capacity utilisation benchmark and are still climbing.

Most of the other 29 main sectors are hard on their heels and catching up fast.

Assocom economist, Geoff Tyler, says: "A snap survey reveals that fuller use of capacity is causing supply shortages."

"This is most noticeable in sectors like furniture, household appliances and building. Fears are expressed that shortages will occur during the year in the clothing and textile industries. Except for seasonal shortages there are no worries over foodstuffs."

The PCI reports: "Capacity expansion is now rapid. Industrial growth of 10% in February was accompanied by a 3% increase in average utilisation."

Department of Statistics returns show the 25 industrial sectors running at an average 87.1% in the three months to November after rising steadily from 86.1 in August and 85.6 in May. Averages for the previous two full years were 84.2% in 1977 and 85.6% in 1978.

Naamsa director, Frank Lock, says: "Continued growth in new vehicle sales is most satisfactory and demand is expected to remain high. Increased production has resulted in assembly plants taking on more people and eliminating short-time working."

This fast-spreadin trend is endorsed by energy consumption and transport figures. Electricity available (mainly Escom with some from Cabora Bassa) was boosted 10.1% to 2342 gigawatt hours (GWh) for the first quarter compared with 2128 GWh for the same three months of last year.

Electricity generation for the same periods of 1977 was much lower at around 18500 GWh and 20 500 GWh in 1978.

Road transport of goods by private companies is also fast rising from a low of only 12 million tons in February 1978 to 15.3 million tons last October and 15.8 million tons this February.

Railways is also busier with freight reaching 3 459 million ton/km in January from 3 067 million ton/km in September. In January 1978 goods rail traffic was only 3 484 million ton/km.

Company chiefs who, only a year ago, were wondering if the promised economic revival would ever come, are now switching their anxieties to how long they can keep getting the work out on time.

Dr Drummond says: "Delivery periods are tending to lengthen — reflecting increasing demand and also due in part to shortages of skilled labour."

Motor Industries Federation director, Janie van Rhynsteen, says: "Vehicle franchise holders, particularly those handling volume selling models, are having shortages and waiting lists. Operating, though other models and second-hand vehicles are freely available."

Assocom's Mr Tyler says: "Delivery periods for most goods have increased. We've heard that in some instances this is because of a lack of transport."

SA Agricultural Union economist Johan Willemse says: "There are no supply shortages, although the situation could change soon. Delivery periods are normal."

The AHI reports, on the other hand, that some basic inputs of the textile, foodstuff, construction, plastics and chemical industries are in short supply.

Mr Viljoen adds: "Delivery periods range from nil to 50% longer than those recently."

Assocom suggests two ways to handle the present economic growth pains.

Mr Tyler says businessmen must be reassured that the growth policy will continue so that they will invest and create more capacity.

At the same time, imports should be allowed to fill local shortages and "prevent an inflationary gap from developing" until new capacity is ready.
Moll must repay his bursary

Mr Peter Moll, the conscientious objector serving a 12-month prison sentence, will be forced to repay a R8 145 Old Mutual bursary on his release due the end of this year.

He was dismissed by the company this year "on purely commercial, contractual grounds" having been jailed for refusing to do military service, and was therefore not able to complete his contract.

He had been a trainee actuary with Old Mutual and the bursary had allowed him to continue his studies for a University of Cape Town degree.

Friends are now rallying to collect the outstanding amount and a letter of appeal has been sent out by Mrs Di Scott, acting of Rondebosch, Cape Town.

In the letter she says: "We feel it is important that we start accumulating the amount now."

At the same time, Mr Frans Davin, joint managing director of the Old Mutual in Cape Town, said: "He's a bright student because of his inability to fulfill his contract.

"The fact that Peter Moll is a conscientious objector was not the reason for dismissal."
Shell jobs for blacks doubled in two years

The number of black employees in senior job positions in Shell South Africa has again more than doubled in the last two years.

In addition, over 50 percent of black employees received training in 1979 compared with less than 25 percent in 1978.

Highlights last year included training programmes aimed at providing unskilled employees with specific technical skills and formal qualifications, development programmes aimed at providing supervisory skills, and industrial relations training.

This is disclosed in the latest Shell Social Report which provides a comprehensive review of the company's performance since January 1979.

Shell is aware that there are relatively few black employees in the more senior positions, the report notes. For example, in 1977 there were only 22 blacks in job group seven and above (administrative and technical positions and sales representatives, compared with 372 whites). It was decided to set a target of increasing by 50 the number of black employees in senior positions by 1981.

"By the end of 1979 the number of black employees in job group seven and above had increased to 28 which is well in line with our 1981 target of 53," the report says.

Shell recently raised its target to 100 by 1983 and, to achieve this, and future targets, has established a development committee of senior departmental representatives chaired by a member of top management.

One of the methods used to achieve its target has been the introduction of an overseas scholarship scheme. So far 13 black students have been awarded one-year scholarships for postgraduate study in the United Kingdom.

"A second one-year scholarship/bursary scheme for undergraduate and postgraduate studies at universities in South Africa has benefited 41 blacks since its inception in 1978.

Dealing with salaries, the report says that, in addition to annual merit increases (average five percent), Shell reviewed its salary levels on the basis of a number of salary surveys covering major
BUILDING SOCIETIES

Wet but not liquid

Money was flowing into the building societies by the end of June at an average nominal rate of nearly R5m per day, according to figures released by the Association of Building Societies.

This cash flow, over 50% higher than it was in the same period last year, is indicative of the high level of liquidity in the economy. And most of it comes from individuals, so the man in the street is obviously enjoying some of the benefits of the boom.

Association director David Alston expresses the fear that consumers may be increasingly tempted to withdraw funds and spend them. But this could be mitigated by the fact that most of the cash deposited was invested in building society shares, which are a relatively stable form of saving.

Building societies’ Alston...inflow is still strong

Transmission accounts and savings showed an increase over last year of several hundred percent. But fixed deposits, a casualty of rate competition between the banks and the societies, actually decreased by over 60%. So the increase in the societies’ fixed deposit rates in June (swiftly matched by the banks) was obviously a response to a real threat in this quarter.

Healthy cash inflows are not, however, synonymous with liquidity, in the sense of cash surpluses. Says Alston: “We experienced a brief period of liquidity shortly after Christmas. But at the moment society funds are committed — there is a balance between liabilities and assets. The demand for mortgage advances has increased significantly, and pressure in the property market has driven up the aggregate size of individual bonds by about 17%.”

Another area of concern may be that a large amount of money from the big investing institutions, the pension funds and insurance companies, could have found its way into the societies. Low interest rates and high inflation have encouraged the institutions to keep money in short-term deposits, from which they will no doubt be moved when rates start rising.

Our inflows are currently strong, adds Alston, but bonds may not be in such good supply by the end of the year. So this may well be the time to arrange housing finance. Bear in mind, however, that the progression is exponential — every mortgage granted is an extra demand factor in the property market, which pushes up prices, raises the cost of subsequent bonds, and marginally reduces their availability.

Management is given in the following chapter.

Overviews of the principles and practices of project known as Project Management can fulfill this need. An country. Overseas experience has shown that the concept construction projects is slowly being recognized in this need for the improvement of management of organized by the S.A.I.C.E. and the S.A.I.C.P.

Lectures and discussions on project management have been

invited to lecture in South Africa. In addition, symposia at Manchester Institute of Science and Technology have been

and Parkinson and P.A. Thompson of the University of

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Blacks can contribute to the SA economy — Soweto bank boss

By JS MOJAPELO

MR Harry Lugojojo, the Standard Bank’s first black manager in Soweto, regards his achievement in the banking world as proof that if blacks are given the chance they can make a meaningful contribution to the country’s economy.

Mr Lugojojo, 47, father of five daughters, joined the bank as a clerk in 1963.

On August 15, 1976, he was appointed the first black manager of a bank in Soweto. There are now two other black bank managers in Soweto.

"Undoubtedly, I enjoy banking. It is a career I would encourage black kids to follow. My success in the banking world is a challenging responsibility to me as a black man. But it is proof that blacks can contribute in the country.

"Before joining the bank, I worked as a clerk on a part-time basis with the university clinic in Alexandra. My employers were reluctant to give me a testimonial when I told them I was leaving them for a new job. They thought I was too good to be released," Mr Lugojojo said.

In 1985, he was appointed a teller and was among the first blacks in the country to be promoted to that position.

"In those days, because of the political situation, it was difficult to get blacks graded as tellers in a bank. I was a teller at the Alexandra branch," Mr Lugojojo said.

Mr Lugojojo was appointed the first black marketing officer of the bank when the bank intensified its programme of social services in the communities it served.

During a trade fair in Soweto in 1975, Mr Lugojojo and a colleague — while manning the bank’s stall at the fair — decided that there was a great need for a bank for the Soweto people.

"After the fair we compiled a report and spelled out the potential black market in Soweto," Mr Lugojojo said.

Mr Lugojojo was suddenly "transferred" from Bramley to the bank’s training school, with 12 other black clerks from various parts of Johannesburg, for a year of intensive training in all aspects of banking.

After the training Mr Lugojojo was given a post at one of the bank’s branches for a further six months of in-service training.

"I was deeply touched when on August 15, 1975, I was called to the general manager’s office and given a letter of appointment as the first black manager in the whole bank. I was later placed at the first Soweto branch," Mr Lugojojo said.

Standard Bank was the second bank to establish a branch in Soweto in 1975.

When Mr Lugojojo took over as Soweto manager, he had a staff of 14. The present staff is 21.

At first, Mr Lugojojo had to contend with the belief among blacks that only the best service could be rendered by banks run by whites.

"This has changed and we are now being accepted as second to none," Mr Lugojojo said.
Action pledge as security personnel complain

By Deon Delpot

A major building society employing security guards has promised swift action after complaints by the guards to The Star and the company.

The guards, who work for the SA Permanent Building Society, complained of long working hours without lunch or tea breaks, no overtime pay and 12-hour shifts at weekends.

The situation was aggravated by a white supervisor who allegedly swore at them and insulted them while carrying a firearm, the men claimed in a letter to The Star.

An acting general manager of the building society and manager of the inspectorate, Mr C J Williams, said the complaints were justified and that the company was dealing with them after receiving a similar letter of complaint a week ago.

"I only assumed the portfolio on November 1," Mr Williams said.

"The security department, which has grown from four to at least 30 men in the last 18 months, has not been controlled in the correct manner."

Mr Williams agreed that the hours guards worked were not what they should be and that the men should have lunch and tea breaks.

The company was studying proposals to improve their working conditions and the security of the company.

Changes were expected within a few weeks," he said.
Logical negotiations

Last week Barlow Rand updated its labour guidelines and broke new ground for SA employers in its progressive approach to industrial relations. The FM talks to Reinald Hofmeyr, executive director of Barlow Rand responsible for personnel and industrial relations.

FM: Why did Barlow Rand decide that management should speak to representative unions, irrespective of registration (considering many employers and government still strongly oppose unions outside the legal structure)?

Hofmeyr: We felt that registration should be voluntary. Once we had accepted this we were halfway there, and had to accept that representation was the key. It should be entirely up to employees how they want to be represented — whether through a union, liaison committee or works committee. Once that has been indicated it is only logical to negotiate with that body. This is not an employer’s decision. He can express preferences but cannot impose a decision.

What role do you envisage industrial councils playing considering the current proliferation of recognition agreements with unregistered unions?

What I am about to say will be considered by many employers as heresy. Although I believe that much can be said for negotiating issues such as wage agreements at industry level, employers will have to live with plant level bargaining as well. I think the fear that there will be “leapfrogging” if unions negotiate independently with employers is unfounded. Employers need not bend to pressure arising from other agreements in the same industry. If they feel the agreement they have reached is an equitable one. We at Barlow Rand are slowly coming round to the point of view that plant level bargaining is also of vital importance.

Do you think industrial councils are efficient means of resolving industrial disputes?

Yes, but a speedier process must be found.

Do you foresee registration being made, in your words, “simple, voluntary and attractive” in the near future?

I think it will continue to be voluntary as it is now. But government needs to go further. The registration of unions should be equivalent to that of companies which have to show acceptable articles of association as laid down in the Companies Act. The criteria that government should ask for should be: objectives of the union, categories of workers the union will represent, how funds will be controlled, and procedures for the election and expulsion of office-bearers. What particularly disturbs me is that the Registrar can use race as an important criterion.

What stand will Barlow Rand take should government introduce restrictive legislation to curb unregistered unions?

The company would be bitterly opposed to any such move, but I cannot see how government can outlaw unions.

If unions are representative, companies will still enter into “good faith” agreements no matter what government’s stand might be.

What measures is Barlow Rand taking to ensure its subsidiaries implement the company’s employment code?

Managements have to give account of their progress in a questionnaire, and in a face to face exchange with the chairman, Mike Rosholt, other board members and executives from other divisions. The questionnaire is merely a working paper. Most important is the interchange between managers and the board, which can question any aspect of the report. Mr Rosholt does not hesitate to say if he feels progress towards fulfilling commitments is not sufficiently rapid.

Do you think black unions are an outlet for the aspirations of disenfranchised blacks?

I feel that the two major federations, the Federation of SA Trade Unions (Fosatu) and the Council of Unions of SA (Cusa) are concerned almost exclusively with improving conditions at the workplace. I feel the non-aligned unions such as the Western Province General Workers Union, the African Food and Canning Workers Union, and the South African Allied Workers Union (Saawu) would certainly go beyond this. But this is predictable since unionists see unions as the only means of applying leverage in a society where they have no other outlet.

Should managements get into the business of, not being partners to, but challenging government on social issues?

Certainly management should challenge government on any issues which affect its business, productivity and its people. I am not quite sure where one ought to draw the line. Certainly approaches should be made on issues such as education, training, housing, and aspects of industrial legislation.
Anglo workers angry over pension scheme

ABOUT 50 black workers at the giant Anglo American Corporation headquarters yesterday confronted management and demanded their pension fund contributions.

This action appears to have been sparked by the possible changes to laws affecting pension funds. The workers' demands followed a management memorandum on Tuesday to the corporation's pension fund members.

At a meeting between management and the workers which lasted three hours, it was decided that the workers would meet management at a later date.

A statement from Anglo's management to SOMETAN said yesterday: "It has come to the attention of management that some employees are still unhappy about aspects of proposed legislation that might affect pension schemes."

The statement further explained that the corporation recently undertook a briefing programme to explain the workings of its existing pension scheme. It went on: "Yesterday (Tuesday) in response to specific questions that were still worrying some employees, every employee was circulated with a clear statement of management's attitude towards possible changes in legislation affecting pension funds."

Some of the Anglo American Corporation workers who confronted management yesterday.

Pic: by LEN KUMALO

By Z B MOLEFE
By LEN MASEKO

EIGHT employees of a Johannesburg insurance firm resigned yesterday after the company refused to consider their demand for a 50 percent wage increase.

The workers went on strike Monday after they had expressed dissatisfaction over a 6 percent raise offered by the company. This made one worker say: "The relationship between black and white in the company is depressing. Sometimes we are insulted by our colleagues, and we cannot report this to the management because they do the same thing. We have talked to management about our grievances many times, but it was all in vain which is why we decided to resign."

The workers said they received an increment of 6 percent every year but this year they were told to "mind their own business". They said management refused to return their belongings from the company on Friday.
SA Perm has lost half the staff in its computer operations division. The main problem, say coloured and Indian workers, is "racial bias," but Perm management blames the unpleasantness on "a series of misunderstandings."

A meeting to thrash out the matter and was held with certain divisional heads this week and senior GM Keith Gibbs says most of the problems have been resolved.

The discontent came to a head a few days earlier with the publication of an advertisement by the SA Perm's personnel consultants of a recruitment ad inviting applications from "European shift leaders."

Staff sent a "European" frontman to consult with consultants de Villiers & Associates posing as a potential candidate. They say he was told that the society wished to phase out its black computer operation staff and replace them with whites.

The word went out that these recruits would not only have to be trained by blacks in specific applications but that they would eventually take over the senior posts.

Staff also argued that the Perm was acting contrary to its own employment code which espouses equal opportunity and promotion on merit.

Gibbs admits that black staff have confronted management with allegations of racially biased employment, but he says the problems are the result of series of misunderstandings. Furthermore, he adds, have been resolved.

"It is not the policy of the SA Perm to discriminate on racial grounds," asserts Gibbs. "We have a number of blacks in supervisory positions and all appointments are on merit."

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Shift Leaders

Up to R15,000 p.a. with excellent fringe benefits

An excellent opportunity for young dynamic European shift leaders with a minimum of 2 years computer operating experience. Job involves training a new and replacing an existing unit of staff. Full support and guidance given. Send your CV and details of qualifications and requirements.

Perm's ad ... luring white workers

Gibbs claims that the offending ad was placed without vetting by the Perm. "We have spoken to the agency and they are investigating." The society is looking for experienced staff and new employees will obviously have to be trained in the specifics of the job. Whether or not the new recruits reach positions of seniority will depend only on their management abilities.

With at least part of the problem resolved, some staff who have resigned but not left, want the right to withdraw their resignations. Says Gibbs: "Staff are welcome to talk to management and it is most probable that, after mutually agreed terms have been reached, they will be re-employed."
Insurance men in bid to form union

By STEVEN FRIEDMAN
Labour Reporter

ATTEMPTS are under way to form the first-ever black trade union in the insurance industry — and some employers have been approached by the fledgling union to gauge their attitude to the move.

An employer source said yesterday that companies were taking differing stances on the union's formation. Some do not see the union as a threat, but others feel "it should be resisted," he said.

But Mr. Mike Jackson, assistant general manager of Liberty Life, yesterday denied a claim that "crisis meetings" had been held by his company in response to the attempts to form the union.

Employers said two pamphlets — one "radical" and the other "more moderate" — have been issued.

Employer sources said they believed the union intended to link up with other emerging unions. It is not clear, however, whether the fledgling union has been started by one of the existing unions.

However, it appears it wants only black, coloured and Asian members and does not want to be nonracial.

It is understood that some employers have told union representatives they believe the new body "cuts across" their existing staff associations, but they have been told that workers want their own union rather than an association.
Insurance agent is best-paid occupation

Argus Correspondent

PRETORIA. — Insurance agents are South Africa's biggest long-term money-earners — followed by medical specialists and economic advisers, according to a report by the institute for manpower research of the Human Sciences Research Council.

And as far as graduate employees are concerned, schoolteachers and clerks are still at the bottom of the wage-earners' ladder.

The HSRC has just completed a study on the profitability of occupations and fields of study and considered college and university expenses, period of study and income tax.

**Highest**

According to the report, chartered accountants rank only fifth among 'the most lucrative occupations although they still earn the highest remuneration an hour.
Unions: a new black policy

Labour Correspondent

A major step on the way to setting up the country's first-ever black insurance workers' union was taken at a meeting in Soweto at the weekend.

Signs that black workers in the insurance industry were planning to form a union have been a talking point among employers for some months.

There are differing employer views on the issue, with some companies viewing the union as a threat and others prepared to consider dealing with it, according to industry sources.

At the weekend, some 130 insurance workers met at a Soweto church to elect an interim committee to get the planned union off the ground, according to Mr Pule Pule, the organising secretary of the interim committee.

Mr Pule added that the committee planned to launch the new union within two months. The meeting had decided that the new union should operate on a nationwide basis when formed, he said.

All members of the interim committee except its president, Reverend Joe Seoka, and himself were insurance workers, Mr Pule said.

The union had not been initiated by any of the existing black or non-racial union groupings. "It is a move begun by the workers themselves," he added.

The movers behind the proposed union had, however, had talks with the Council of Unions of SA.

"We informed them that we were planning to start the union and we believe that there may be a place for an insurance workers union in their organisation in the future," Mr Pule said.

The meeting which elected the interim committee had felt that black workers usually only began to organise themselves "when there was some crisis — when people have been fired or when there is an urgent need for a wage rise," Mr Pule said.
Mixed canteens prove successful

Consumer Reporter

An increasing number of local firms are switching to racially mixed works canteens and staff dining rooms — and there have been no problems, Mr W Malzer, regional manager of a national catering firm, told The Argus.

Mr Malzer said that about 50 percent of the local firms whose caterers are very much the trend for mixed canteens have no problems. They are mostly firms with overseas connections, he said. "They include insurance and engineering firms and clothing factories. Their canteens are fully integrated and there have been no hassles. "Multiracial canteens are the trend today, particularly where managing director of firms are re-designing their catering facilities."

"It is very much cheaper in terms of service and space to have one canteen for all races," Mr Wigley said. "Space in a building companies moving towards multiracial canteens were generally treated with great care and respect. "Multiracial canteens are the trend today," Mr Malzer was conciliatory. "Pleasantly surprised with the lack of problems."
Merger Problems

The difficulties faced by established white trade unions trying to merge with coloured, Asian and black sister unions have again been illustrated by an inconclusive poll held among members of the SA Society of Bank Officials (Sasbo).

Sasbo, which has about 22,000 white members, has been trying for more than a year to merge with the National Union of Bank Employees of SA (Nubes), which has about 2,500 coloured and Asian members, and the SA Bank Employees' Union (Sabeu), which represents about 1,500 blacks.

At first glance, it would seem that this should be a fairly easy process. The three unions have discussed the whole question of unity in great detail at branch and national level. The desire for a single union has been enthusiastically endorsed by the Nubes and Sabeu executives. At last year's branch conference all Sasbo delegations voted unanimously in favour of amalgamation.

However, in terms of Sasbo's constitution, more than 50% of its membership must vote in a ballot if a decision is needed on a matter of vital importance to the union. Amalgamation is clearly such an issue and a ballot was held last year. Because only about 7,000 members voted, the outcome was inconclusive.

Sasbo leaders were, however, encouraged by the fact that the vast majority of members who took part in the poll voted in favour of amalgamation. Citing apathy as a major reason for the low poll, they announced that yet another ballot would be held and launched a concerted campaign to get more than a 50% participation.

Although this second ballot has attracted greater interest (10,077 votes) it is still a few percent short of the 50% mark.

Sasbo general secretary Andre Malherbe says it is not easy to get a large number of people to respond to a single issue. He says although the number of votes received in the latest ballot is insufficient, it does represent an impressive response: "In view of the impasse, we must now refer the matter back to next year's Sasbo branch conference where a decision will be taken on how to process this issue. It is an irksome delay. But at least the cause of democracy is being served."
Politics ban on Barclays staff

The Bank of England's Financial Policy Committee (FPC) has announced that it will consider whether to ban Barclays staff from taking part in the bank's customer-facing roles due to concerns over the bank's compliance with regulatory requirements.

The FPC, which is responsible for setting monetary policy and financial stability, said it would review the matter in light of recent developments at Barclays, including the bank's efforts to improve its compliance procedures.

The decision comes after Barclays was fined £29.2m by the Financial Conduct Authority (FCA) for failing to prevent money laundering and failing to have adequate controls in place to prevent the use of its systems for illicit purposes.

The FPC said it would consider whether the ban would be appropriate, taking into account the bank's progress in improving its compliance procedures and its efforts to strengthen its systems and controls.

The ban would apply to all Barclays employees who are involved in customer-facing roles and would last for a period of up to 12 months.

The FPC said it would keep the ban under review and would consider lifting it at a later date if it was satisfied that the bank had made significant improvements to its compliance procedures.

The ban is expected to affect a large number of employees, including senior executives and members of the board.

The FPC said it would publish a full statement on its decision in due course.

In a separate development, Barclays said it had agreed to pay £36m to the US Securities and Exchange Commission (SEC) to settle charges that it had failed to disclose information about high-frequency trading.

The SEC said Barclays had engaged in improper practices related to high-frequency trading, including failing to adequately disclose the risks associated with the practice.
Barclays Bank has warned employees in a circular that they could lose their jobs if they participated in political calls, controversial activities, or displayed a banned T-shirt.

The circular from Barclays National Bank head office in Johannesburg was sent to all its managers. In it, the personnel general manager, Mr. Ivan S. Rouman, said, among other measures, that he was unhappy with security measures taken for samples from race horses which are sent to the Bureau of Standards for analysis.

Apart from saying that it was satisfied with its security measures, the Jockey Club said newspaper reports gave the wrong impression of its management.

The Jockey Club was the race course of a Rand trainer, Mrs. J. B. G. Pearson, who paid $13,000 for an alleged doping management.

The Jockey Club rejected this as part of the management of its operations. Mrs. G. Pearson has made a formal application for the Jockey Club decision to be set aside.

R6,300 robbery at UBS

Crime Reporter

An armed robber today held up two building society tellers in Yeoville, Johannesburg, and fled with R6,300 in cash.

A spokesman for the Brixton Murder and Robbery Squad said the man entered the United Building Society in Canehill Street and held up the tellers, who were working there.

Bank politics warning

The Star's Africa News Service

HARARE — Shoulder-length hair is not the normal style for pilots of Air Zimbabwe aircraft.

But an exception was made recently when a Viscount took off from Harare Airport bound for Gaborone, for at the controls was 26 year-old Linda Pearson, Air Zimbabwe's first woman pilot, in the cockpit of one of the airline's Viscounts.

Linda Pearson (26), Air Zimbabwe's first woman pilot, in the cockpit of one of the airline's Viscounts.

‘Bird’ causes stir in the air

Flying is in her blood. Her father was a pilot with the old Central African Airways which served the Rhodesias and Nyasaland. The family moved from Rhodesia to fly and where she worked for three years with a charter company flying tourists and businessmen in East Africa.

Back in Zimbabwe she and her month course converting to Viscounts which they will fly for the national airline.

Captain Roger Paterson, in charge of Viscount training, said passengers could be certain of good service when Miss Pearson was at the controls.

‘A lot of them spend time around the airports to see what the woman pi-
Barclays banks on impartial politics, employees warned

By ANTON HARBER

BARCLAYS Bank would not employ the mayor of Johannesburg, a city councillor, a Member of Parliament, a black consciousness leader or anyone involved in "politically controversial issues".

Bank officials said this yesterday after warning their staff against participating in activities that "could affect their impartiality".

In a circular distributed this week, the bank told its 22,000 employees that "as the bank's customers come from all walks of life, race, creed and political affiliations, it is essential that to obtain and retain business, the bank maintains an impartial political image."

"For this reason the bank is unable to employ or continue to employ persons who are unable to maintain a similarly impartial political image, or who participate in political activities," the circular warned.

The personnel manager, Mr Ivan Rudman, explained yesterday that the bank did not wish to employ anyone who might be detained.

"We have had many occasions where members of our staff have been detained and we have paid their wages while they were in detention."

Mr Tony Heywood, divisional general manager of Barclays, said staff could think whatever they liked or belong to whatever organisations they liked as long as they didn't upset customers by expressing a controversial opinion.

Mr Rudman denied the warning was related to the firing of a black consciousness leader a week ago.

Arapo's Durban branch was fired from the bank two weeks after being convicted for wearing a banned T-shirt.

The deputy managing director of Nedbank, Mr Anton van der Merwe, said last night his company had no policy on the issue since it did not see it as a problem.

"We have all kinds of people working for us and we don't control their politics. We don't discuss it with them at all," he said.
Ban on politics: Barclays under fire

Argus Correspondent

DURBAN. — Barclays Bank's decision to ban its employees from taking part in political activities has been condemned by two more organisations.

A call for international action against the bank may follow.

Mr Mike Govindsamy, secretary of the Democratic Lawyers' Association, an affiliate of the International Commission of Jurists and a member of the World Association of Democratic Lawyers, said unless the bank withdrew the ban, his organisation would not hesitate to call on the international community to reconsider investments with the bank.

VICTIMISATION

He condemned the dismissal of black consciousness leader, Mr Bradley Potgieter, who was convicted of wearing a banned T-shirt, as "unfair victimisation."

Azapo, also threatening action against the bank's controversial ruling, said in a statement that it viewed the matter "with great concern."

The acting secretary-general of the National Federation of Workers, Mr M Maphalala, called on the bank to review the decision, or pressure "would force them to reverse it."

Barclays could face tough action by the 26,000-strong South African Society of Bank Officials unless the bank reverses its ruling.

Mr Tom Chalmers, the society's assistant general secretary, said: "We would take a tough line against management if the view of the bank means any infringement on the civil liberties of our members."

"There are already enough restrictions on people in South Africa. We would fight any move by employers to restrict people's political aspirations."

NO PROBLEM

The senior general manager of Nedbank, Mr Ari van Vliet, said today the bank did not interfere with people's views. The company had no policy on the issue since it did not see it as a problem.

Dr T Fabian, personal manager of Standard Bank, said: "We do not discourage or dissuade anyone from taking an active part in public life. All we ask is that they also seek our advice."

The Barclays ban was announced in a circular this week.
Urgent talks on Barclays Bank ban

Own Correspondent

DURBAN - An urgent meeting has been called by Barclays Bank's top management to discuss the blanket ban preventing employees from taking part in political activities.

A senior bank spokesman confirmed that a statement was expected to be released after the meeting.

He was unable to provide any more information.

But sources close to Barclays said they expected the political ruling to be reversed.

The bank's decision has provoked an outcry from several organisations and unions, including a new threat by the general secretary of the South African Allied Workers' Union to call for a boycott of the bank if the ruling is not reversed.

Mr Sam Kikine said: "We would not hesitate to call for a boycott of the bank if it does not reverse the decision.

"This is an unfair labour practice and the bank runs the risk of alienating many of its black clients."

Dr Frank Mdlalose, Minister of the Interior of the kwaZulu Government, said no citizen should be robbed of the right to express his political approach, affiliation and activity in a way that benefits him and his society.

Mr Mdlalose said he could understand the approach of Barclays, but the bank could not deprive anyone of the right to express their political affiliations.

A bank spokesman yesterday qualified the ruling saying it was not aimed at banning the politically conscious.

The warning is an apparent sequel to the recent dismissal of a black consciousness leader convicted of displaying a banned T-shirt.

In London the leader of Britain's biggest bank employees' union has described the ban as "monstrous." Mr Leif Mills, general secretary of the Banking, Insurance and Finance union, says he will take the matter up with Barclays.
BLACK leaders yesterday condemned Barclays Bank for its stance not to employ people who participate in political activities or those who might be detained, as a means of assisting Government control of blacks.

Mr Ishmael Mkhabela, Azapo's publicity secretary, said there was no way in which Barclays Bank could deny it intended controlling the minds of blacks both on and off the work floor.

He said his organisation was going to fight the matter "to the bitter end," even to the point of calling on blacks to adopt a certain stance against the bank.

An employee of the bank who is chairman of Azapo's Durban branch was recently fired from his job after being convicted for wearing a banned T-shirt.

Yesterday, the bank was reported as having decided that it would not employ city councillors, Members of Parliament or black-consciousness leaders.

A bank official, Mr Ivan Rudman, was quoted as saying the bank did not wish to employ anyone who might be detained.

Mr Mkhabela said Barclays Bank's very presence in the country was to sustain an undemocratic system.
Politics: Barclays withdraws

Weekend Argus Correspondent

DURBAN. — Barclays Bank yesterday officially withdrew its controversial no-politics rule on employees.

The managing director, Mr A M Aldworth, said in a statement after a board meeting yesterday that employees could take part in politics.

"But it will be appreciated that in many communities it is not possible to be a leading and active participant in politics while at the same time representing the bank."

Officials would be encouraged to discuss the matter with their superiors when they were in doubt.

Banned T-shirt

In a reference to the incident in which a black-consciousness leader, Mr Bradley Potgieter, was asked to leave the bank after being convicted of wearing a banned T-shirt, Mr Aldworth said:

"The dismissal or resignation of staff members in Natal and elsewhere in recent months is not related solely to any disregard of the bank's requirements in the above context."

"However, if it were felt that a member of the staff's involvement in outside activities of whatever nature clashed with the bank's proper demands on his or her interest or time, then clearly we might have to reconsider his or her position in the light of prevailing circumstances."

Controversial

Mr Aldworth said the foreword to the staff manual had long encouraged its officials "to participate in community life, but at the same time relies on its staff not to undertake voluntary work of a controversial nature or work which will interfere with the bank duties."

The assistant general-secretary of the South African Society of Bank Officials, Mr Tom Chalmers, said: "Had management thought about this issue in the first place before rushing into print, they could have used the union as a sounding-board to assess the effect of such a circular."
No bar on politics, says banker

MR A R M Aldworth, managing director of Barclays National Bank, said in Johannesburg yesterday that his bank had not, at any time, prevented or tried to prevent any of its officials from being members of recognised political parties.

No, he added in a statement, had the bank tried to prevent their participation in activities of a lawful and normal nature in the affairs of such organisations or the community at large.

Mr Aldworth stressed that the staff manual, to which attention of all employees was drawn, had long encouraged officials "to participate in the community life." At the same time, the bank relied on its staff "not to undertake voluntary work of a controversial nature or work which would interfere with their bank duties."

"The dismissal or resignation of staff members in Natal or elsewhere in recent months is not related solely to any disregard of the bank's requirements in the above context," said Mr Aldworth.

If it were felt that a staff member's involvement in outside activities of any kind interfered with the bank's proper demands, his position might have to be reconsidered, he said. — Sapa.
Bank lifts ban on politics

Own Correspondent

DURBAN — Barclays Bank yesterday officially withdrew its controversial no-politics rule on employees who take part in political activities of recognised parties in the country.

This is a reversal of an earlier bank directive which forbids its 22 000 employees from participating in political activities.

The managing director of Barclays Bank, Mr A. R. M. Aldworth, said in a statement after a meeting of the bank's board yesterday that employees could certainly participate in politics.

"But it will be appreciated that in many communities it is not possible to be a leading and active participant in politics while at the same time representing the bank."

"If it were felt that a staff member's involvement in outside activities clashed with the bank's proper demands on his interest or time, then clearly we might."

In an apparent reference to the dismissal of black consciousness leader, Mr Bradley Pieterse, from the bank after being convicted for wearing a banned T-shirt, Mr Aldworth said: "I have to reconsider his or her position."

● See Page 4.
Barclays Bank has withdrawn its controversial "no politics" circular to staff and will replace it with a new one. The new directive clarifies the bank's attitude to employees' activities outside working hours.

The managing director of Barclays National Bank Ltd, C W. M. Atwood, said that the bank had never issued an official no-politics directive but recognised the importance of employees participating in community activities, particularly in matters of public interest.

However, the bank's attitude to political activities is different. A statement from the bank said: "We believe that employees should be free to participate in political activities, but we also believe that they should be free to choose whether to participate or not.

The bank's new directive states that employees should not be involved in political activities that may be considered inappropriate, such as involvement in political parties or fund-raising activities.

The directive also states that employees should not use bank resources, such as computer facilities or telephone lines, for political purposes.

The bank's director of personnel, C W. M. Atwood, said: "We believe that employees should be able to participate in political activities, but we also believe that they should be free to choose whether to participate or not.

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T-shirt man might get job back

There is a chance that former Barclays Bank employee Mr Bradley Potgieter, a Black Consciousness leader sacked after being convicted of wearing a banned T-shirt, could be offered his job back.

Since his dismissal a fortnight ago the bank has withdrawn its order that forbade employees participating in political activities.

Barclays Natal general manager Mr J H McKenzie said yesterday the reinstatement of Mr Potgieter might be reconsidered in view of the bank's turnaround policy.

This would be up to the group personnel manager, Mr I S Rudman, to decide.

Mr McKenzie expected to hear from Mr Rudman today.

Policy

'But I'm not certain Mr Potgieter would want his job back — or that he has even applied to get it back.'

Mr McKenzie said he would have no objections to rehiring Mr Potgieter if head office offered him his previous post as savings clerk back and if he accepted it.

He was pleased that the air concerning the bank's policy with regard to the political activities of its staff members had finally been cleared.

Employees were fully entitled to join any recognised group — and blacks were free to belong to Inkatha, the Zulu cultural organisation.

But the bank could not encourage the attitude of employees who 'get up and start beating a political drum' because it was inevitable that some clients could disagree with whatever stand was being made.
Barclays reverses rule on political participation

BARCLAYS BANK has officially withdrawn its controversial ruling that no employees are allowed to participate in political activities of recognised parties in the country.

This is a reversal of an earlier bank directive which barred its 22,500 employees from participating in political activities.

The managing director of Barclays, Mr A.R.M. Aldworth, said after a meeting of the bank’s board, it had been decided that employees could take part in politics.

"But it must be appreciated that in many communities it is impossible to be a leading and active participant in politics and represent the bank successfully at the same time," Mr Aldworth said.

He encouraged officials to discuss the matter with their superiors when they were in doubt.

In an obvious reference to the recent incident in which a black consciousness leader, Mr Bradley Potgieter, was asked to leave the bank after being convicted for wearing a T-shirt, Mr Aldworth said: "The resignation of staff members in Natal and elsewhere in recent months is not related to the bank’s requirements in the context of political involvement.

"However, if it is felt that a staff member’s involvement in outside activities of whatever nature clashed with the bank’s demands, then we may have to reconsider his or her position."

Mr Aldworth said the staff had always been encouraged "to participate in community life but not to undertake voluntary work of a controversial nature or work which will interfere with bank duties."
Bank offers to reinstate fired black

OWN CORRESPONDENT
DURBAN — Barclays has offered to reinstate Black Consciousness leader Mr. Bradley Poggieter (20) who was dismissed because of the adverse publicity for the bank over his conviction for wearing a banned T-shirt.

The general manager of Barclays (Natal), Mr. J.H. McKenzy, told Mr. Poggieter in a letter today that the bank would be pleased to have him back at his previous salary level on the understanding that he would comply at all times with standard rules applicable to all staff.

The bank's decision comes a day before the deadline set by his attorneys. The matter would then have been taken to the Industrial Court for arbitration.

Mr. Poggieter, chairman of the Durban branch of the Asian People's Organisation, was fired on September 8. In the wake of his dismissal, Barclays issued a circular to its managers throughout South Africa advising that its 26,000 employees were banned from taking part in politics.

This was withdrawn later after reaction from trade unions and civic leaders.
The bank withdrew the ban within a week and this week Mr J H McKenzie, General Manager of Barclays (Natal) told Mr Potgieter in a letter that the bank would be "pleased" to have him back in the employ.

Mr McKenzie's letter came a day before the deadline set by Mr Potgieter's attorneys for his reinstatement.

"I'm pleased that you are able to maintain a bold and common sense approach," Mr Potgieter, who is chairman of the Durban branch of the Azanian People's Organisation said this week.

"I need to live and I need my job, but I see the withdrawal of the ban on political activities as the more significant of the two because it has affected thousands of people."

The outcry, particularly from black people and organisations, was decisive in the bank's backing down on its stand, he said.

Barclays were trying something here, and had they been successful, it could have set a precedent for other firms to follow. "We're oppressed enough as it is," he added.

He was not a troublemaker, he said.

"A black person who keeps quiet about injustices is doing the rest of the black people, the whole of humanity, a disservice."

Mr Potgieter said it was never mentioned during the trial or after he was convicted that he was an employee of Barclays Bank, so he could not have caused it any adverse publicity as it alleged. The bank had come out of the episode worse off than it would have if action was not taken against him.

"The action has not intimidated me in any way," he said.

Mr McKenzie said Mr Potgieter would be paid for the days he had been away.

"We're prepared to have the young man back and if he wants to make a career with the bank we'll help him make it."

By Barney Minomboh lined up at the bank

BRADLEY Potgieter will be back updating books at Barclays Bank tomorrow.

The 30-year-old Durban black consciousness leader - a savings clerk - was fired by Barclays three weeks ago after his conviction for wearing a banned T-shirt and putting up posters advertising the Sharpeville commemorative service.

The bank management said his conviction had caused adverse publicity and asked him to resign. He refused and was summarily dismissed.

It was later disclosed that Barclays had banned its 22,000 employees in South Africa from taking part in political activities.
political reasons claims Durban man was dismissed for

Bank's actions show I was dismissed for

by DAWIE BALEN

The man of the century of the Bar...
Union members meet

THE INSURANCE and Assurance Workers Union (IAWU) is to hold a meeting at the St Alban's Hall in Johannesburg beginning at 12 noon tomorrow. An appeal is being made to all members to attend, as issues to be discussed include a report back of a meeting held on August 19. The St Alban's Hall is at the corner of Anderson and Ridout Streets.
Staff is angry at lay-offs

Labour Reporter

Johannesburg staff at the Guardian National Insurance group were up in arms last week over lay-offs.

Angry staff complained that employees with long service at the group were being laid off with little advance notice.

A spokesman for Guardian said the lay-offs were the result of a company "reorganisation" as the group was integrating two major sections of its operations. He would not comment on the number of employees who were laid off.
Bank workers worry

SA's bank employees are becoming distinctly uneasy about the introduction of automatic teller machines (ATMs). Banks may soon face demands for the protection and compensation of employees affected by automation.

"Increasing automation is a major concern," says a spokesman for the SA Society of Bank Officials (Sasbo). He points out that hundreds of ATMs have already been installed by SA banks and many more will be introduced within the next few years. On the agenda for the union's biennial branch conference is a resolution calling for a probe into possible detrimental effects of automation.

Banking employees' unions in Western nations are similarly perturbed about ATMs and complain that they cause unemployment. Sasbo officials say an Australian union has even gone to the extent of paying for television advertisements that encourage people to use tellers and not the machines.

For Sasbo, however, the threat of unemployment is not necessarily the most pressing problem, because of the shortage of skilled manpower in SA. But the union does fear this could be a threat in the future. Of most immediate concern is the fact that the level of seniority a bank employee can achieve in a branch is often determined by the number of people employed at the branch.

The union's fear is that if ATMs reduce the number of people working at branches, the number of responsible positions available to bank employees may diminish. In addition, it wants to ensure that people who operate the machines are adequately paid.

"We appreciate that the banks must be competitive — we are not fools," says the union spokesman. "But we want to know what they intend doing and would like to be part of the planning."
OVER 100 workers from the Liberty Life insurance company who have been on strike since Thursday were expected back at work this morning.

A company official said yesterday he had met with officials of the independent Insurance Workers' Union of South Africa, who told him the workers would be back at work this morning.

The official added his company would not recognise the independent union, but would look into any grievances.

The workers downed tools last week because of dissatisfaction with a wage increase. Management, however, refused to meet the union on the grounds it was a blacks-only union.

It was company policy, the spokesman said, to only recognise non-racial unions.
Insurance workers to list their grievances

Mail Reporter

ABOUT 100 striking workers at Liberty Life insurance company returned to work yesterday and said they would submit a list of grievances for attention by management.

The workers, members of the Independent Insurance Workers' Union of South Africa, went on strike last week because of dissatisfaction over a wage increase. Management, however, refused to negotiate with the union because they said it was company policy not to recognise an all-black union.

A Liberty Life spokesman said yesterday that all 100 workers had returned to work after agreement had been reached that they would not be victimised and that they would submit a list of grievances to management.

The official said the strikers would not be paid for the two days they were off work. Their grievances would be investigated, he added.
Labour Correspondent

AT LEAST 50 black workers at the head office of insurance giant Liberty Life were fired yesterday after striking for the second time this year in support of union recognition demands.

The workers want the company to recognise the Insurance and Assurance Workers Union of SA (IAWUSA), which is open to black workers only.

Liberty Life has repeatedly refused to do this, saying that it is a nonracial company and that it is only prepared to recognize a nonracial union.

Yesterday, both the black consciousness-oriented Azanian Students Movement and the Black Allied Mining Construction and Allied Workers Union issued statements backing the strikers.

Liberty Life said that only about 90 of its 290 black head office workers joined the strike, which began at midnight on Thursday. But an IAWUSA spokesman said yesterday that 150 had been involved.

A company spokesman said yesterday that Liberty Life had considered workers' demand that it recognise IAWUSA, but had decided it could not do this.

He said IAWUSA appeared not to represent the majority of black head office workers, but this was not the main reason for Liberty Life's stance.

"We pride ourselves on the fact that there is no race discrimination in this company. To recognise a blacks-only union would split the company from top to bottom and disturb the relationships we have built up here."

The company had blacks working alongside whites in several job categories, he said. IAWUSA appeared to be "politically motivated".

The workers had been given until 3pm yesterday to return or be dismissed. Most had failed to meet the deadline "and we must assume they are no longer with us."

IAWUSA's spokesman said the issue was not "Liberty Life's claims to be a nonracial company", but "the right of workers to be represented by the union of their choice without management interference."

He said black workers had "democratically chosen" to belong to IAWUSA and the company should therefore recognise it.

In a statement, the Black Allied Mining Construction and Allied Workers Union backed the strikers and urged them to "stand together."

It charged that Liberty Life's attitude was "a calculated move to dictate to workers who their representatives should be."

It said the "myth" that Liberty Life was an integrated company had been "blown open" by the workers.

- A conciliation board appointed by the Minister of Manpower to attempt to settle the dispute between the National Union of Mineworkers and the Chamber of Mines' Rand Refinery will meet on October 14, a chamber spokesman announced yesterday.

The board was due to meet yesterday. If it does not settle the dispute within four weeks, NUM members at the refinery can strike legally.
Demo by 90 striking insurance workers

By Carolyn Dempster.

Ninety Liberty Life Association Workers who went on strike at Braamfontein, Johannesburg last week, today staged a placard demonstration outside the association's head office.

The workers — all members of the Insurance, Assurance Workers' Union of South Africa — were supposedly summarily dismissed on Friday when they refused to return to work, but they have not been formally fired as yet.

Today they vowed to continue the pickets and to rally support until Liberty Life recognises the union.

While the workers were standing in Ameshof Street a passing student hurled a brick at a female photographer from the South African Students Press Union. The brick narrowly missed her head and glanced off a parked car.

Liberty Life Association fired 90 striking members of the Insurance and Assurance Workers' Union after a refusal to recognise the union because of its racial base.

The work stoppage began last Thursday when 90 workers at the Braamfontein, Johannesburg, head office refused to return to work. A delegation was sent to management demanding that the union be recognised.

"We have had talks with the union before and we made it clear then that company policy does not permit us to recognise a racial union," said the human resources deputy manager, Mr Mike Jackson.
Fired insurance workers backed

Labour Correspondent

THE Azanian People’s Organisation has backed workers who were fired last week after striking in support of union recognition demands at giant insurance company Liberty Life.

The strikers were demanding the recognition of the Insurance and Assurance Workers Union of SA (IAWUSA), which is open to blacks only. The company says it is willing to recognise unions, but only if they are non-racial.

An Azapo spokesman, Mr Ishmael Makhabela, said yesterday Azapo believed the strikers deserved its “unqualified support”.

He said Liberty Life’s statements on the dispute were “inconsistent” with statements it had made when IAWUSA was formed.

“At that time, they said they were unhappy about unions because they could become political organisations. Now they are saying they are happy about unions, as long as they are non-racial,” he said.

Mr Makhabela said IAWUSA had been formed after a series of workshops run by Azapo:

“After these meetings, it emerged that black insurance workers needed a union of their own because they were discriminated against as blacks. It became clear that insurance companies’ claims to be non-racial are based on the treatment of a few token blacks only,” he said.

A further point which had led to the formation of the union, Mr Makhabela said, was that “black insurance workers do not have facilities to meet at work — even to discuss matters like the death of a colleague”.

Azapo therefore believed a union for black insurance workers was essential and supported the strikers’ demands, he said.
Workers' right to organise

A few days ago a major financial institution fired about a hundred black workers for striking in support of recognition of their trade union.

What makes this industrial dispute so interesting is that the grounds for its refusal to recognise the union are that it is a "non-racial company," whereas IAWUSA (Insurance & Assurance Workers Union of SA) is only open to black workers.

The whole idea that trade unions are a "good thing" was sold to the country, and if you will remember, on the basis that it is more efficient for employers to deal with organised labour than with unorganised workers.

The politically progressive, big-business establishment enthusiastically embraced the concept of black unionism because it helped them to don a shining mantle of social responsibility; of caring about the underprivileged; of doing something constructive about advancing South Africa towards the ideal of non-racialism.

The last thing they expected was that some black workers would choose to organise in the way that is traditional in the South African labour movement for many whites and coloureds — on ethnic lines.

The financial institution concerned defended its brutal action in firing its black workers on the grounds that "there is no race discrimination in this company" and "to recognise a blacks-only union would split the company from top to bottom and disturb the relationships we have built up here."

IAWUSA's spokesman retorted that the issue was not the company's multiracialism, but "the right of workers to be represented by the union of their choice without management interference."

It seems clear that the company concerned has embraced a particular political view and is trying to impose it on all its employees.

The irony is that the revolt against its "non-racialism" has not come from its white workers but from its black ones, whom the policy was presumably primarily intended to help.

This is yet another example of white liberals arrogantly assuming that they know what is best for blacks, and seeking to impose their ideals.

The interests of black workers are clearly often quite different from those of white workers, and it takes a particularly obtuse or ideologically obsessed management not to see that.

But whether they see it or not, the important issue here is the right of black workers to organise how they see fit, providing they do so in a legal way, concern themselves with relevant matters of dispute between labour and management, and are truly representative.

It is a fond illusion of white liberals the world over that "reactionary" ethnicity can make way for homogeneous societies (which, just coincidentally, as white liberals tend to be a talented group of people, they will tend to rise to the top of). The experience has been quite to the contrary.

In the US, where lawmaking and social pressures have been most blatant in this regard, all that has happened is that ethnicity has been enhanced.

Blacks are now fighting to maintain their own churches, social and professional organisations, and political identity.

In South Africa, more than in any other country, you would expect employers to be sensible enough to recognise the reality of ethnicity, and its implications.
Liberty Life stands firm on strike sackings

By STEVEN FRIEDMAN
Labour Correspondent

GIANIT insurance company Liberty Life said yesterday it was sticking by its decision to fire 90 workers who struck last week in support of union recognition demands — despite support for the strikers from black consciousness groups and a demonstration outside the company’s headquarters yesterday.

And a company spokesman said yesterday Liberty Life was departing from common employer practice by not rehiring the strikers selectively.

“We believe selective rehiring may well be an unfair labour practice and we therefore wish to avoid it,” he said.

Many companies fire strikers and then re-engage all but a few who are believed to be “activists”.

But, he added, the company was prepared to listen to representations from fired workers who may not have been involved in the strike.

A group of workers at Liberty Life's Braamfontein head office struck last week in support of demands that the company recognise the Insurance and Assurance Workers Union of SA (IAWUSA), which is open to black workers only.

Liberty Life says it will bargain with non-racial unions only.

Since the strike began, black consciousness groups such as the Azanian People's Organisation and Azanian Students Movement, as well as black consciousness-oriented unions, have backed the strikers.

Yesterday, a group of strikers held a demonstration outside Liberty Life head office in which they challenged management statements that Liberty Life was a non-racial company.

Liberty Life’s spokesman said the company was approached by IAWUSA leaders yesterday who said they did not wish to negotiate with Liberty Life, but merely wanted confirmation that the strikers had been fired “so that they could plan further action”.

He charged that Liberty Life workers who did not join the strike had been “intimidated” and subjected to death threats.

“We are concerned about this, particularly as there are now people outside our offices trying to persuade workers to join the strike who are not ex-employees. They seem to have been brought in from elsewhere,” he said.

He also defended the company against charges that it still practised race discrimination. IAWUSA’s president, Mr Joe Sekela, had charged that blacks started on lower salaries than whites and that the company had two canteens and two training schemes.

“Salaries are based on merit and have nothing to do with race. There are two canteens, but both are open to all races.

“There are also two training schemes, but one is a black development programme which is a special service to black workers if blacks want to participate in the general training programme, they are free to do so.”
Cops out after Liberty protest

POLICE yesterday patrolled the streets surrounding the Liberty Life Centre in Braamfontein where about 90 sacked strikers had earlier during the week demonstrated with placards.

The workers, who did not go to the centre during lunch hour yesterday as scheduled, held an emotion-charged meeting at a hall yesterday and condemned management for refusing to recognise their union—the Insurance Assurance Workers' Union of SA.

The meeting also resolved to ask all community leaders, including churches, civic associations and pressure groups to persuade management to meet the workers' demands before it was too late.

The union's president, Mr Joe Seoka, yesterday said the police presence at the scene was regrettable because the workers have united peacefully without any violence.

The company's general manager, Mr Mark Winterton, said the police patrolled the area to ensure order was maintained. About 30 workers had indicated to him that they were being intimidated to join the strikers.

Referring to the dismissed workers, Mr Winterton said: "The situation is regrettable. The workers have been dismissed and that is all. We have always been willing to talk to unions."

During the meeting, two "black executives" were accused of being "sell-outs" for not joining and encouraging the remaining workers to show solidarity with the strikers.

"We want your support because the action we have taken is to set a precedent to the insurance and assurance companies. We receive poor salaries while we have to cater for our families," the workers said. "We also call on those leaders to try and persuade management to rescind its decision to avoid a situation whereby their production will be forced to come to an end."

Meanwhile, messages of support have been pouring to the union's ranks pledging solidarity with the workers—the latest came from the Energy Civic Association which reads: "We declare solidarity with workers at Liberty Life."

An urgent meeting which community leaders and sympathisers are expected to attend will be held at Khotso House between 1-2 pm today.
Liberty Life Association is standing firm on the dismissal of the 90 Insurance Assurance Workers' Union members who went on strike last week, and has refuted union claims that the company carries out racist policies.

In a statement issued today to clarify any misunderstandings, management said that while it accepted the principle of freedom of association and the right of employees to join trade unions, "the company cannot negotiate with a racially based trade union, since this cannot be representative of all employees".

Letters terminating contracts had been sent to the workers.

In response to claims by IAWUSA that the company carries out discriminatory practices in salaries, food facilities and training facilities, Liberty Life's executive director of administration, Mr Mark Winterton, said the claims were slanted.

"Salaries are determined by objective testing methods, work content and performance appraisals. All facilities are fully multiracial and training programmes are open to all races."

Mr Winterton said there might be a "basis for discussion" with management if IAWUSA opened its ranks to whites.

"But we made it quite clear during the course of the last strike that we do not want political issues brought into the company."

Judging from the number of workers who participated in the strike, IAWUSA represented only a third of the company's black workers, he added.
Tutu backs sacked strikers

By Carole Demaret, Labour Reporter

The South African Council of Churches has lent its support to the Insurance Assurance Workers Union in its fight for recognition at Liberty Life Association.

At a meeting held at Khotso House yesterday Bishop Desmond Tutu, general secretary of the SACC, pledged the organisation's full support for the 'legitimate rights' of all workers and in particular the 80 Iawusa members fired for their part in the recognition strike at the insurance company's head office last week.

Liberty Life is refusing to recognise Iawusa on the basis that it is a racially based union and is politically motivated.

Bishop Tutu told the workers it was a 'ridiculous statement' to say that a trade union could or should not be political.

"Politics determines every aspect of our lives.

That we live in Soweto and may not live anywhere else is a fact determined by politicians. The jobs we may apply for are politically determined, where we may eat, walk, sit and sleep is political.

"I would be disappointed if you as a trade union were only concerned with yourselves and how to better your situation," Bishop Tutu said. "We do not live in a cocoon, an ivory tower. The workers are part and parcel of the suffering masses."

Messages of support for the striking workers came from the Azanian People's Organisation, the Azanian Students Movement and the General and Allied Workers Union.

Mr Joe Seoka, president of Iawusa, announced that the union intended to nationalise the struggle for recognition and call for the support of insurance workers in Liberty Life subsidiaries throughout the country.

"Striking is the only weapon we can use to claim our rights," he said.
Bishop slams Liberty Life

Several black organisations, including the South African Council of Churches, pledged solidarity with 90 sacked strikers of Liberty Life Insurance at a mass meeting held in Khotso House yesterday.

At the meeting called by the Insurance Assurance Workers' Union who is representing the workers, placards were displayed while over 200 people chanted freedom songs and made black power slogans.

The organisations include the SACC, the Soweto Committee of Ten, the Azanian People's Organisation (Azapo), the United Democratic Front (UDF) and several trade union movements.

Addressing the meeting the SACC's general secretary, Bishop Desmond Tutu, said that people including trade unionists, had been harassed, detained without trial, "died mysteriously in police detention" and gone into exile fighting for the "liberation struggle".

He urged the striking workers to remain united in their stance in fighting for their right to be reinstated by the company that claims to be multi-racial and yet practises discrimination.

He rejected management's contention that the workers were "political in their approach" and said it was difficult to differentiate or separate politics from trade unionism.

He said that the SACC would support every worker in his attempt to restore his human dignity and rights even if the road ahead was a tortuous one.

He reiterated the saying "there can be no struggle without casualties" and said that the workers should stand together in their struggle until they were victorious.

The president of the union, Mr Joe Seoka, said the workers had refused to accept that they had been fired because "they have not received letters of dismissal from the management."

In a later statement, Mr Seoka said that the union denied management's claims that workers were being intimidated and threatened with death.

"The whole witchhunt is an attempt by Liberty Life to call in the police to charge what they call activists. The truth of the matter is that it is Liberty Life which is intimidating and threatening workers with death by calling in police with batons and guns," the statement says.

"We further reject management's claim that it will not rehire workers selectively. An employee who actually proposed the strike and did not meet the deadline set by management has now returned to work and was rehired."

Another speaker, Mr Kenneth Rachidi of Azapo, said that there was a cause for workers in the insurance assurance industry to unite and pledge solidarity with the Liberty Life workers...

Another meeting is to be held at the same venue on Saturday at 12 noon.
**Liblife strikers**

By ZB MOLEFE

MORE than 100 Liblife workers have had their pay cheques and letters terminating their services on Tuesday as their strike enters the third week.

The workers, members of the Insurance and Assurance Workers Union of SA, took this stand at St Alban's Anglican Church in a show of strength after their meetings received no letters and cheques on Friday.

Union Chairman Mr Joe Seka said, "We will be handing a letter to management on Tuesday at 9am."

"And at the same time we will be calling on other Liberty Life workers to join us for a meeting at the Con-..."
ADOR development came about partly as a result of the Liberty Life strike.

IAWUSA was formed as a result of seminars organised by the African People’s Organisation, the chief vehicle of the black consciousness (BC) philosophy.

Two other new unions also seem committed to the BC approach — the Black Allied Mining and Construction Workers Union and the Black Electronics and Electrical Workers Union.

So it does seem that Azapo, and BC supporters in general, are stepping up efforts to organise workers into BC-supporting unions.

BY the time this article appears, emerging unions will have met for a new round of unity talks.

The talks are taking place under something of a cloud. Fosatu, the biggest emerging union group, is to meet shortly to review its participation in the unity drive.

This follows the last unity meeting at which the Food and Canning Workers Union spelled out certain conditions for joining the new federation. The unity moves are designed to create.

Fosatu unionists say obstacles are being placed in the way of unity by setting conditions and that there is frustration over the progress of the talks.

Other emerging unionists say Fosatu itself has set conditions and believe the obstacles to unity are more imagined than real.

Some are also suspicious of informal talks between Fosatu and Cusa, the second biggest grouping, seeing this as a threat to broader unity. Although there have been moves towards a rapprochement between Fosatu and Cusa, participants in the discussions deny they are a substitute for the unity move.

The unity meeting was also expected to discuss serious tensions between the General Workers Union and SA Allied Workers Union in Durban.

But it would be as well not to draw hasty conclusions from this.

There are sound reasons why major emerging unions have no option but to get together now and the unions are still likely to decide at the end of the day that these override any politicking which may accompany the unity move.

Yet another new union for black workers has been formed — and its sphere of interest may come as a surprise to many.

It seeks to represent black employees of the West Cape Administration Board and its formation is inspired by the WCAB’s black liaison committee. It has applied for Government registration.

Its formation does not seem to worry WCAB overmuch and appears to have been prompted by the fact that the works committee cannot negotiate wages.

The union appears to be the first set up at an administration board, and is thus the first black union to boast as members officials who assist in pass raids and the demolition of squatter homes.

This factor would seem to rule out an early welcome for the new union at unity talks.
AT LEAST 1 300 workers went out on strike yesterday as labour disputes continue to rock industries nationwide.

More than 900 workers employed by Union Carriage and Wagons in Nigel yesterday downed tools in support of several of their colleagues who have been retrenched by management.

The workers, all members of the Fosatu-affiliated Metal and Allied Workers' Union (Mawu), claim that their union was not informed about the retrenchments which management alleges were necessitated by the recession.

The company's public relations officer confirmed the strike, but declined to comment on the issues involved.

About 300 workers at Pool Industries in Roslyn went on strike yesterday morning over pay demands.

The employees, all members of the National General Workers' Union, also demanded that the company stop deducting R3 per week from their wages which goes towards their pension fund. Mr Donsie Khumalo, secretary of the union, said yesterday. He said the workers who went on strike at 7.30 am a few minutes after reporting for work, also demanded that the company cease deducting about 40 cents from the respective salaries for the washing of their overalls every week.

A source close to the workers said the strike was sparked off by the company's general increase last Friday "which had a lot of disparity" and varied between 2 cents and 22 cents per hour.

"The increases were very unfair and all the workers felt there should be a uniform increment for all employees," the source said.

A spokesman for the company, Mr Pool, yesterday declined to comment on the strike and promised to release a press statement soon.

At Checkers Stores in Primrose, about 50 black and white workers went on strike after a white member of staff was dismissed without the workers' knowledge.

A company spokesman said that the worker had been transferred to another plant. The whole thing was a misunderstanding and the matter would be resolved soon.

At Grand Bazaar in Rosettenville, 54 workers stopped work after management retrenched workers and engaged others.

About 70 workers at Discount Game yesterday entered their ninth day of a strike over wages. Management has said that the workers have been dismissed.

The 90 workers at Liberty Life Insurance who are demanding the recognition of their union, the Insurance and Assurance Workers' Union, were still on strike yesterday.
Union attacks Liberty Life for letter 'ploy'

By Carolyn Dempster, Labour Reporter

The Insurance Assurance Workers Union of South Africa (Lawusa) has attacked Liberty Life for using a letter "ploy" to selectively re-hire some of the 90 strikers fired by the insurance company two weeks ago.

The company has denied the allegations.

A union spokesman said some strikers had received letters of dismissal stating that, because they had taken an unauthorised two days off, they were fired. Several others got telegrams telling them to resume work; others received letters asking them to explain their absence to management as soon as possible.

"The workers decided to send back the letters and cheques because their demand was union recognition, not selective re-employment or a pay-off," the spokesman said.

Liberty Life Assurance's managing director, Mr Monty Hilkowitz, said no attempt had been made to selectively re-employ the strikers.

"Seven workers who did not strike, stayed away. So we sent them telegrams asking them to explain their absence."

"Nobody who took part in the strike has been reinstated or will be. However there are different circumstances and each one will have to be dealt with separately," he said.

The company was handling the situation carefully and would not employ the type of measures Lawusa had suggested.

Lawusa has sent letters to a number of top companies urging them to publicly denounce Liberty Life's "racist policy" of refusing to negotiate with a democratically elected union.

The companies include Anglo American, the Premier Group, Johannesburg Consolidated Investments and SA Breweries.

"Lawusa wanted to tell these people of the action the union will take if the dispute with Liberty is not resolved," the union spokesman said.

Lawusa has had messages of support from local and international union groups, the most recent from the Banking Insurance Financial Union in London.
Support flows in for ninety Liberty strikers

By JOSHUA RABOROKO

Several messages from local and overseas organisations pledging solidarity with the 90 sacked striking workers at Liberty Life were read at an emotion charged meeting of the workers in Johannesburg yesterday.

Police patrolled the area where the president of the Insurance Assurance and Allied Workers' Union, Mr Joe Seoka, read the messages from London and Switzerland amid shouting of black power slogans.

Mr Seoka said that the workers had been getting support from various organisations and that workers at Liberty Life had arranged a meeting with these groups today.

The union has also requested several companies which are associated with Liberty Life to pressurise management to try and resolve the matter as quickly as possible.

The workers are demanding that management recognise their union, but management has rejected their demands saying they want a non-racial union for all workers.

At the meeting workers carried placards condemning management for not recognising their union and for paying them "starvation salaries".

Mr Seoka said that if management did not want to resolve the matter they would be forced to seek legal advice about taking them to the Industrial Court.

The union also condemned the action of the police in patrolling the area. Management had earlier claimed that certain workers were being intimidated into joining the strikers and police were called in to see that law and order was maintained in the area.

The workers have resolved to picket against their company at centres in the city and Soweto.
ANGRY GARDENERS STRIKE OVER DISMISSALS

Joe Scoka: "We're just trying to...

Liblite Press Mourns

Job loss: a画家 during the mourning process...

The strike was..."
Liberty Life workers join 90 striking colleagues

SOME of the remaining workers at Liberty Life Insurance Company have joined the 90 sacked strikers amid several messages calling on management to resolve the labour dispute.

The workers, all members of the Insurance Assurance Workers' Union, have downed tools in support of their colleagues who are fighting for the recognition of their union.

Several messages from London, Switzerland, Brussels as well as various local organisations were received by union officials at the weekend, according to a union representative, who said that the messages all pledged solidarity with the workers.

The messages also called on management to withdraw the dismissals of the workers and to heed other issues involving the workers' grievances. They pleaded with Liberty to observe the Freedom of Association Act which allows every worker to be a member of any union of his/her choice.

The spokesman said that another employee who was asked by management to come back to work in view of the staff shortage had been dismissed because she was accused of being 'recalcitrant.'

"We condemn management's attempts to try to rehire workers selectively. We want to assure them that we are united in our actions and no form of tokening will affect us," the spokesman said.

The union spokesman further said that they regarded as "intimidation, the company's attempts to stifle our actions by calling on the police to watch our movements."

Liberty Life's manager, Mr Winteron, said when the dispute started they had received messages which attempted to pressure them into changing their stance, but for the past two weeks "we have not received any."

He was not aware of any workers who had joined the strikers and said: "We have not suffered any shortage in staff."

He denied that there was any police harassment of the striking workers.

The company had not induced any of the workers to return to work by offering them anything, he said.

Meanwhile the strike by 50 workers at Game Discount Store and Coadequip is still on the go.

The workers were sacked after downing tools in support of entrenched and dismissed workers.

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UNION STRATEGIES

Hitting the associates

The dispute between Liberty Life and the Insurance and Assurance Workers' Union (Iawusa) may culminate in one of the most ambitious consumer boycott campaigns in SA's history.

One of the latest developments in the dispute is an effort by the union to mobilise both black community and union support, as well as aid from international unions to put pressure on Liberty Life and its parent company, Liberty. The union has relatively little black consumer pressure on Liberty, but it obviously believes that some companies with financial links may be more vulnerable.

The union says it has already written to companies it believes are closely associated with Liberty Life and asked them to intervene in the dispute. It warns that failure to do so may result in "more drastic action" being taken — not only against Liberty, but the associated companies as well.

The dispute has its origins in an impasse between Iawusa and Liberty over recognition. The dispute was finally resolved on July 29. The union says it represents a majority of black workers at Liberty's headquarters in Johannesburg. The company says the union has yet to provide proof to support this, and points out that only about a third of the black employees at its head office took part in a recent strike over union recognition.

But perhaps more importantly, Liberty is also taking a strong stand against recognising a racially-based union — saying it is more than willing to recognise a multiracial one. The company says that is an equal opportunity employer, and employees of all races enjoy the same conditions of employment and get the same pay on the basis of their performance. It charges that Iawusa has political motives and says that recognition of a racially exclusive union could provoke tensions between employees of different races.

Iawusa argues, however, that the company cannot define how black workers should exercise their right of free association. It questions Liberty's claim to be an equal opportunity employer and says black workers' needs and interests are different to those of whites — and that it therefore makes sense for them to have their own union.

Late last month 93 black employees were dismissed after taking part in a strike over recognition — the second within three months. Iawusa has abandoned any plans it may have had to launch an action through the Industrial Court to challenge Liberty's refusal to recognise it. The union says its members have rejected legal action because it is a time-consuming process, but it is still considering possible legal action over alleged efforts by the company to selectively rehire some of the strikers.

Strong denials

The company strongly denies such allegations. It expresses extreme concern about the intimidation of non-strikers and says a number have been seriously assaulted in recent weeks. The union denies any involvement in any attacks and says it has tried to prevent friction developing between the strikers and black staff still employed by the company.

Iawusa is now attempting to gain as much support as possible to put pressure on the company to reinstate the dismissed employees and to recognise the union.

It is claiming to have the support of virtually all major community organisations — including the United Democratic Front (UDF), the National Forum Committee (NFCA), the Azanian People's Organisation (Azapo), the Azanian Students Movement (Azasm), the Congress of South African Students (Cosas), the Committee of 10, the SA Council of Churches, and a variety of civic associations. It claims that messages of support have come from a number of foreign unions, including Britain's influential Banking, Insurance, and Finance Union. An International Labour Organisation (ILO) subcommittee is also investigating the dispute, it says.

Several local unions have indicated their support. The Food and Beverage Workers' Union, an affiliate of the Congress of South African Unions (Cosas), has already written a letter to one Liberty associate, asking it to use its influence to resolve the dispute.

An Iawusa spokesman says no deadline has been given to Liberty Life or its associated companies to heed the call for recognition and the reinstatement of the dismissed employees. But, he adds: "the fight is on and it will only end when someone wins."

Liberty does not appear to be alarmed by these developments. A company spokesman says it was perhaps inevitable that the union should seek wider publicity for its cause. One company with financial links with Liberty which has made inquiries about the dispute, has supported Liberty's stand since all the issues have been explained to it.

Consumer boycotts have, of course yielded decidedly mixed results in SA. While a few have been a major success, many have failed — often due to unions' inability to mobilise widespread and sustained support. Iawusa is an inexperienced union, which has yet to prove that it has the ability and influence to gain such support and to make a boycott stick.

However, two factors should be borne in mind. Firstly, Iawusa seems to have a great deal of strategic thinking. It has, for example, told all sympathetic groups not to launch campaigns on their own as this could result in confusion among black consumers. The message going out is that all actions and campaigns will be co-ordinated by the union to achieve impact. It also appears to be carefully selecting targets. It believes, for example, that one building society (on whose board Liberty Life chairman Donald Gordon sits) is a potentially vulnerable target, and is considering making a call on blacks to close their accounts with the society.

Secondly, the campaign is being contemplated at a time when the political temperature in the black community is rising due to the debate about the constitution and the impending referendum. There is no shortage of political organisations looking for issues which can unite and politicise the black community.

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A great deal was said during the past boom about the need to upgrade skills. However, as H du P Wilmot said in his presidential address at Assecom's national congress this week, not much has been achieved.

He pointed out that despite a high rate of unemployment, SA still faces a skills shortage. And this, he warned, would again act as a brake on growth during the next upturn in the economy.

Government, through the provision of tax incentives and training centres, is playing its role, he said. Yet businesses still displayed a reluctance to train people. There were many reasons for this, he said, but one of the main factors lay in the field of education.

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SKILLS PROBLEM

"Until our schools, particularly black schools, produce properly educated young men and women with the basics in order to be given education and training to enable them to provide value to the community, never overcome our chronic skills and abilities," Wilmot said.

White parents want to accept that they will have to personal contribution towards the education of their children. He stating on education had risen in the recent years and for this year it was about R871m for R727m for whites. "If all other expenditure on including that for coloureds at
Strikers call for boycott of Liberty and interests

By Jon Qwelane

The sacked employees of Liberty Life, an overseas conglomerate of companies with substantial business connections in South Africa, are to launch a campaign at the weekend aimed at Sowetans to get them to boycott the huge insurance and assurance organisation.

A spokesman for the workers who were dismissed after a protracted strike said two other major business concerns would be affected by the boycott campaign. They are the United Building Society and Sales House, a subsidiary of Edgars stores, which is mainly patronised by blacks.

The spokesman said the boycott of UBS stemmed from the fact that the chairman of Liberty Life, Mr Donald Gordon, is also on the board of the building society.

Sales House would be boycotted, the spokesman said, because of the links Liberty Life had with the clothing store.

The managing director of Liberty Life, Mr Monty Hilkowitz, confirmed yesterday that Mr Gordon was a director of UBS, and also that Sales House had ties with Liberty Life.

Regarding the planned action against the three companies Mr Hilkowitz said: “We do not believe it (the boycott) will solve any problems. We disagree with the motivation but it is their prerogative.”

In August this year workers at Liberty Life went on strike over the salary increases they had been given, and also demanded that their union — Assurance Assurance Workers Union of South Africa — be recognised by their management.

Accord reached between workers and their employers proved to be but a blip before another storm, because towards the end of last month another strike was declared.

This time the grievance of the workers was union recognition.

Liberty Life has consistently said it would not tolerate any union whose membership was based exclusively on race as that would split the company right down the middle.

When the strike started last month 90 workers were involved, and the number rose to 96. Management declared that all the striking workers had dismissed themselves.

A mass meeting of workers, students and other members of the community has been called for Sunday afternoon at St Hilda’s Church in Soweto.

One of the striking workers, Mr Petrus Molefe, was allegedly arrested in Diepkloof on Tuesday. Union officials said attempts to trace where he was being held had proved futile.

Striking workers said this would not deter them.
LABOUR RELATIONS

Trade unions and race

Stickers litter downtown Johannesburg calling for a boycott of "racist" Liberty Life. They prompt the question: just who is being racist?

When a company declares itself against racialism, it would seem on the surface, to have a morally irreproachable position. Or does it? What happens if some of its employees decide to set their own criteria for association — must they be forced to comply with management’s guidelines? These issues lie at the heart of the confrontation between Liberty Life and the Insurance and Assurance Workers' Union of SA (Lawusa).

Lawusa limits its membership to blacks, coloureds and Asians — and Liberty finds this unacceptable and is refusing to recognize the union. So who’s right? The question is a tricky one — and there is much disagreement among employers and unions over whether it is legitimate for a union to use race as a criterion for membership, or for management to refuse to recognize a racially-based union. Given the growing strength of a rightwing white union such as the Mineworkers' Union (MWU), and the proliferation of black unions with links to the black consciousness movement, it is important to provide some perspective on the debate.

Since the early days of trade unions in the Western world, a variety of bonds have bound employees together in workers' organisations. Craft unions have organised workers in a variety of industries who hold common trade skills obtained through apprenticeship. Industrial unions have sought to represent all workers in a given industry. Workers have also organised themselves according to the place where they work, and have established enterprise unions. For their part, general unions have traditionally tried to provide a bargaining base for unskilled workers, irrespective of occupation or industry.

Skilled jobs

All these types of unions have developed in SA. However, when trade unionism became established in SA about a century ago, race overshadowed everything. Craft unions formed by whites demanded that entry into skilled jobs be barred to blacks through legislation. Industrial unions, established from 1930 onwards, could not escape the impact of racialism because the Industrial Conciliation Act prevented blacks from belonging to registered unions.

In 1979, government granted trade union rights to black workers, and since then appears to have largely revised its opposition to multiracial unions. In recent years there has been a slow, but distinct, trend towards multiracial unionism. In 1978 there were 41 registered unions representing whites, blacks, Asians and coloureds. By the end of last year, this figure had risen to 56. It is significant, too, that between 1978 and 1982 the number of registered white unions dropped from 84 to 71.

But there has certainly not been a stampede towards multiracial unionism. Even some black and white "parallel" unions, with a long history of close cooperation, have found it difficult to find enough common ground to achieve a merger. Most of the new generation of black unions established during the past decade accept members of all races, but in fact, few whites have joined them.

If the common interest of workers is the most effective basis on which a union can be established, then it is hardly surprising that the trend towards multiracial unionism in SA has not been a rapid one.

Past discriminatory legislation has retarded black education, training and job advancement. Until recently, blacks lacked effective collective bargaining power, while skilled whites had, over a long period of time, negotiated themselves the status of a privileged labour elite, enjoying high pay and labour mobility.

The needs, interests and priorities of an unskilled worker earning R8 an hour are obviously very different from those of a skilled white earning R8 an hour, or more. How much do such employees have in common? Indeed, there is the obvious danger that they would perceive each other to have conflicting interests. The recent rapid growth of the MWU outside the mining industry testifies to white workers' opposition to black workers moving into skilled jobs.

Many employers have accepted uniracial unions as an inevitable fact of life in SA. They have recognized them as the unions have been able to demonstrate that they represent a significant proportion of relevant groups of employees.

Liberty, however, has decided to take a stand against such unions and has presented a number of important arguments in favour of its refusal to recognize lawusa. The company is proud of its record of being an equal opportunity employer and says that its black employees are black workers who get the same pay, on the basis of merit, as whites. Therefore, says Liberty, its black and white employees do not have differing needs in the workplace.

Bargaining unit

It believes groups who constitute a bargaining unit should be linked by a common work content — they should share common responsibilities or skills. The company wants bargaining units "which are consistent with our organisational structure in the interests of efficiency and control, and to prevent fragmentation of the workplace."

The company is also troubled by what it perceives to be a strong political message being propagated by the union, and fears that recognition of Lawusa could cause tensions between employees of different race groups.

Lawusa insists that black employees have different needs to their white colleagues and that there cannot be a "unity of unequals." More importantly, the union argues that the company cannot prescribe how employees should exercise their right to freedom of association.

The dispute has come at a time when the Industrial Court appears to have placed an obligation on an employer to bargain in good faith with a "representative union." Is a union representative in a company if it has the support of most employees of a par-
ticular race group? Until fairly recently, lawusa was considering getting an answer to this question through the Industrial Court, but now says this would be a cumbersome process. Instead, it may launch a consumer boycott against Liberty and its associated companies.

There is no mistaking how relieved the leaders of some emerging unions are about lawusa’s decision not to go to court. The reason for this lies in a victory gained by the Federation of SA Trade Unions (Fosatu) in the Natal Supreme Court earlier this year. It successfully challenged Minister Fanie Botha’s support for the decision of the Industrial Registrar to register several Fosatu affiliates on a racial basis. Fosatu’s view was that while the Registrar has the right to register unions for a specific “interest,” race should not be regarded as such an interest.

The court ruled that there are cases in which race can be regarded as an interest in the process of registration, but it rejected the argument of counsel for the minister that different races automatically have different interests. The court said because no evidence was provided to show that special circumstances allowing race to be taken into account existed in the case of the Fosatu unions, they should never have been registered on a racial basis.

This victory was a setback to some established unions who have tried to use the registration process to prevent emerging unions from representing workers of all races. And emerging unions who favour “non-racialism” have feared that if the Industrial Court ruled in lawusa’s favour, this would considerably modify the gains made by Fosatu in the Natal Supreme Court.

But if there is a distinct lack of sympathy for lawusa from some quarters of the emerging union movement, there is, perhaps, even less sympathy for Liberty from some industrial relations practitioners.

They argue that Liberty has made the fatal error of trying to curtail its employees’ right of freedom of association. Liberty may be doing this on moral grounds. But they say that past efforts by employers to curtail this freedom by refusing to recognise unregistered unions, or forcing employees to join enterprise unions, have not only often backfired, but have diminished the credibility of any employer efforts to lay down such guidelines.

No violation

Liberty counters that it is not violating this freedom at all — and that it is merely exercising its right to decide whether or not to recognise a particular union. If the case of lawusa, says Liberty, the union has not even been able to demonstrate that it represents most blacks employed in the company’s head office.

Some of Liberty’s critics also believe the company is over-emphasising the threat of inter-racial strife resulting from recognition of a black union. They say it is inevitable that black workers in industries such as insurance, where whites constitute a majority of the workforce, should want their own unions. They theorise that once the black workforce in such an industry grows — and the union representing it develops capable leadership — race will begin to decline as an issue. They also claim that Liberty is placing too much emphasis on lawusa being a “political” union. All unions, they argue, are political.

Some believe that Liberty should have been more flexible and should have tried to establish a relationship with the union. The company could have then adopted the same approach that certain other employers have formulated towards minority unions: it could, for example, agree to discuss procedural matters (such as discipline, dismissals and grievances), but refuse to negotiate substantive issues such as pay.

Liberty says it considered this option, but decided it was not viable. It says wage bargaining appears to be one of lawusa’s main goals. Liberty executive director Mark Winterton believes the company’s critics have themselves become inflexible.

“Liberty makes no apologies for being an innovative company — either in life assurance or industrial relations,” he says. “Most racially-based unions in SA are built around job protection or political ambition. In the longer term they are likely to create a situation between black and white and not reduce it. The black and white membership of a single multiracial union will have to come to terms, instead of confronting each other. Ultimately, black and white alike have a lot to lose by confrontation in the political arena. Do we have to repeat apartheid in the workplace at the behest of those who say it is ‘naive’ or ‘arrogant’ to have an independent point of view?”

Indeed, Liberty may deserve some sympathy for its principled stand against the racial divisions found in the wider SA society that are now being played out in the workplace. But it has certainly discovered that sticking to such a stand carries great risks — and it may find in future that in such matters discretion may just be the better part of unshakable principle.

MONEY SUPPLY CONTROL

Better luck next time

In 1980, Finance Minister Owen Horwood took the unusual step of setting a money supply target in his annual budget speech. He hedged his bets, of course, in this uncharted area, by not specifying a chosen growth rate — saying merely that “a rate of increase somewhat below that of the rate of inflation would not seem unreasonable.” But a year later, when describing just how wide of the mark the monetary arrow had flown, he suggested that a 10% to 12% growth rate for M2 was what he had in mind.

As it happened, the average rate of quarterly annualised growth in M2 during the 1980-81 fiscal year was almost 35%. In one quarter, it hit 42%. Something had gone terribly wrong.

Three years later, it’s still going terribly wrong. Take a look at the table with this article. It shows the quarterly changes in M2 since mid-1979 as seasonally adjusted annualised percentages. The swings, ranging from 5% to 42%, are very large. One could say that the decline-averages, from 31% over the first eight quarters to 20% over the last eight, is an improvement. But bear in mind that the second eight quarters straddle the most intense economic recession since World War 2, and that a 20% growth rate remains dangerously high.

Take a look at the graphs. They show the behaviour of money supply (M1) in SA and in the US over the last 10 years. You could argue that there is little to choose between them. They both show extraordinary volatility. But you’ll notice that the range in which the US aggregate moves is 5.5% to 13%. The SA aggregate’s range is 1% to 52%.

The truth is that the Reserve Bank is not in control of the supply of money in SA. This remains true even when a quarterly growth rate of 50% is followed by one of 10%. Both are testimonies to the failure of a self-appointed aim, a failure which the Bank itself admits even as it displays a steady professional optimism. The question is: Why?

Economists offer a double answer to this single question. The Bank doesn’t have the tools, they say, and even if it did, it doesn’t have the autonomy to use them properly in an environment fraught with political obstacles.

The sharpest tools are the ones that control bank lending. As the table shows, bank credit to the private sector has been the
Boycott call after Liberty Life sackings

By STEVEN FRIEDMAN
Labour Correspondent

The black consciousness-oriented Insurance and Assurance Workers Union of SA (IAWUSA) yesterday revealed it had called on black consumers to boycott two associate companies of insurance giant Liberty Life, United Building Society and Sales House, as well as Liberty itself.

The boycott call is a reaction to recent events at Liberty’s Braamfontein head office when 90 workers were dismissed after striking in support of demands for recognition of the union.

Liberty says it is not prepared to recognize the union because it is not willing to deal with nonracial unions only. It also questions IAWUSA’s claim to represent a majority of black workers at its head office.

The union revealed yesterday that three of its members, Mr. Potlako Mebola, Mr. Simon Dube and Mr. Kenneth Gumede, are to appear in court today on charges flowing from the campaign against Liberty, which has followed the dismissals.

IAWUSA condemned the arrest of the three men as police intervention in “what is essentially a struggle between employer and employee.”

Since the dismissals, IAWUSA has been issuing stickers and pamphlets urging consumers to boycott Liberty. It has also been backed by the Azanian People’s Organisation and some unions.

Yesterday, however, the union’s spokesman said that, besides urging consumers to cancel their policies with Liberty, it was also urging them to withdraw deposits from the USB and to boycott Sales House.

He said a meeting was held at a church in Soweto on Sunday “to involve the community in solidarity with the dismissed workers.”

The theme of the meeting would be “worker-student-community solidarity.”

He also charged that there had been a “heavy police presence” at meetings of strikers.

“SA labour disputes have one factor in common: the involvement of police.”
Boycott of United gets off the ground

MEMBERS of the black community at the weekend responded to a call by the sacked Liberty Life workers to withdraw their accounts from branches of the United Building Society.

This is the latest development in the month-old battle between Liberty Life and the Insurance and Assurance Workers Union (IAWU).

The branches checked were at the Barrydale Inn and the Eloff Street branch.

The people interviewed expressed solidarity with the sacked workers and called on other blacks to support the strikers.

A Lenasia resident, Mr. Ahmed Valli, said he had withdrawn his account.

An Orlando East teacher told us he had changed his intention to get a housing loan from the society.

But a statement from the UBS this week said it was "unaware of any increase in the number of accounts being closed by any race group."

The statement further said the UBS had no involvement in the dispute between Liberty Life and the union.

A spokesman for the union, secretary Mr. Joseph Rakoeld, this week said his organisation had embarked on a campaign to reclaim the black community from conducting any business with institutions linked to Liberty Life.

"On Saturday our members manning most branches of the UBS where we called on blacks to discontinue any business with the organisation."

"This week we are intensifying our campaign with meetings in Soweto. Our next targets are a giant clothing concern that has special outlets for blacks and a banking group. Details of these campaigns will soon be announced," Mr. Rakoeld said.

The Liberty Life dispute started when the company refused to recognise the union because, according to Liberty Life, it is racial.

IAWU, only allows for black members. It also complained of a number of labour malpractices.

Both parties refused to give in and the company fired 90 strikers.

Call to fight milk prices

HOUSEWIVES in Pretoria's black townships yesterday criticised the move by local dairies to increase the milk price by 2 cents a litre from next Monday.

They were reacting to an announcement that an independent costs investigation had revealed that dairies were forced to cope with a loss of 4 cents a litre which had resulted in the price hike.

The announcement was made by Mr. Edwin Morgenrood, chairman of the Pretoria milk distributors, who said the decision was made following the investigation.

A nursing sister, Mrs. S. L. Letwaba, said she foresaw many of her colleagues would be unable to cope with the increase.

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AFGATE IS THE NAME TO REMEMBER.
Further call for boycott of Liberty Life interests

By Andrew Beattie

A further call for a total boycott by blacks of Liberty Life and also the United Building Society and Sales House was made by a black trade union yesterday.

The Black Allied Mining and Construction Workers' Union (BAMCU) called for the boycott "in response to Liberty Life management's intransigence in dealing with workers' problems and the arrogance they displayed in demanding a multiracial union and later saying they didn't want a union at all!"

Mr Tandelani Netolovhodwe, regional organiser of Bamcu, said: "In support of workers at Liberty Life and in keeping with our belief that it is the inalienable right of workers to join the union of their choice, we have decided to call for a boycott of Sales House as it is directly linked to Liberty Life."

Sales House, a subsidiary of Edgars Stores, depended on black customers for profits and viability, he said.

"Mr Donald Gordon, chairman of Liberty Life, is a director of the United Building Society and we therefore call on all members to withdraw their accounts with the UBS. We call on black workers to do the same and pledge solidarity with Liberty Life workers," said the union spokesman.

The managing director of Liberty Life, Mr Monty Hilkowitz, confirmed that Mr Gordon was a director of the UBS and also that Sales House had links with Liberty Life.

Calls for the boycott came in the wake of Liberty Life's dismissal of 90 workers more than a month ago and the company's refusal to recognise the blacks-only Insurance Assurance Workers' Union of SA.

Liberty Life refused to recognise the union as its black and white employees did not have differing needs in the workplace, it said.
Now union support for strikers

By JOSHUA RABOROKO

THE Black Allied Mining and Construction Workers Union has agreed to support a call by the sacked Liberty Life strikers to withdraw accounts at a building society and boycott a clothing shop.

The union has called for the boycott in response to Liberty Life's intransigence in dealing with workers' problems and the arrogance they displayed in demanding a multi-racial union.

In a statement to The SOWETAN yesterday (Bamcow) said that it fully believed that it was the workers' inalienable right to choose their own union.

"We hereby take a firm resolution in supporting workers for a total boycott of Liberty Life. We have also undertaken to boycott Sales House as it has direct links with Liberty Life," the statement says. The statement continued:

"Sales House, a subsidiary of Edgars Stores, depends on black consumer for profits and viability. We are going to withdraw from buying there for they refuse to meet the needs of our fellow blacks.

"Mr Donald Gordon, chairman of Liberty Life is a director of the United Building Society and therefore we call on all members to withdraw their accounts with UBS."

The union has also called on the community to pledge solidarity with the sacked workers by not supporting the two institutions until the workers' demands are met.

A Liberty Life spokesman confirmed that Mr Gordon was a director of the UBS and that Sales House had links with Liberty Life.
'Call to Boycott Stores unfair'

By STEVEN FRIEDMAN
Labour Correspondent

ATTEMPTS by a union to call a boycott of Sales House stores because of the sacking of strikers at Liberty Life were unfair, since the stores have only a "limited" relationship with the insurance company, said Edgars Stores, which owns Sales House, yesterday.

The Insurance and Assurance Workers' Union of SA (IAWUSA), 90 of whose members were fired by Liberty for striking, recently announced it was calling for a boycott of Sales House as part of its campaign against Liberty.

It described Sales House as an "associate company" of Liberty and implied that a boycott of the stores would put pressure on Liberty to settle the dispute.

Yesterday, however, Edgars rejected attempts to involve Sales House.

Edgars said it "wishes it to be understood" that it is "incorrect to describe Edgars Stores Limited or its division, Sales House, as an associate company of Liberty Life".

The company said it was "generally known" that Liberty had an investment in the Premier Group, which in turn had a minority shareholding in SA Breweries, which controls Edgars.

"Such an extended and immaterial investment relationship between Sales House and Liberty Life can in no way be construed as an associate company relationship," the company said.

It said neither Sales House nor any other Edgars Division had been a party to the dispute between Liberty and IAWUSA.
Nationwide boycott threatened

Labour Reporter

The Insurance and Assurance Workers Union of South Africa is preparing for a nationwide boycott of the United Building Society and Edgars' Sales House stores in a bid for recognition by Liberty Life Association.

This arises from the dismissal of 90 black workers by Liberty Life after they refused to end a strike over recognition demands. Liberty Life said the group was unwilling to grant recognition to any union which represented only one race group.

A statement released by the union said: "The union decided to launch a campaign against these associate companies to pressure them to change Liberty Life's attitude to our demands.

"We are not interested in the extent of the ties or whether the links between these companies are limited or extensive. If Edgars and its subsidiary, Sales House, cannot exert the necessary pressure, they must cut links with Liberty Life as a symbolic rejection of its racist practices in refusing to recognise workers' rights in the choice of a union."

NOVEMBER DEADLINE

"If the dispute is not resolved by the end of November we will make our boycott of the UBS and Sales House stores nationwide," a spokesman for the union added.

But Edgars has reiterated that it is in no position to influence Liberty Life.

"The boycott is unfair and likely to be ineffective," said Mr G G Barnett, group public affairs director.

The association between Liberty Life and Edgars is tenuous. Liberty Life has an investment in the Premier Group which has a minority shareholding in SA Breweries which, in turn, controls Edgars Stores. Thus Liberty Life has no say in what we do — nor have we any influence over what they do," he emphasised.

Despite these protestations, the union went ahead with its local boycott of Sales House Stores in central Johannesburg yesterday.

This followed the same pattern as the launch of the boycott against the United Building Society two weeks ago, with workers speaking to prospective customers and handing out pamphlets in front of the stores.
Liberty boycott gathers force

By THAMI MAZWAJ and JOSHUA RABOROKO

The boycott against Liberty Life “associates” intensified this week with the distribution of pamphlets calling for a boycott of Sales House, a major clothing shop dealing with the black community.

The pamphlets also repeated a call for the boycott of the United Building Society, a campaign which has been going on for the past two weeks.

In an interview this week a spokesman for the Insurance and Assurance Workers’ Union of South Africa (IAWUSA), claimed his organisation had successfully mobilised a number of account holders at the Dube branch, Soweto, of the UBS to withdraw their accounts.

A spokesman for the UBS yesterday denied the claims. Sales House, a member of the Edgars Group, has also reacted to the campaign by stating that it is not an associate of Liberty Life. A statement issued by the company said: “Neither Sales House nor any member of the Edgars Group is in any way a party to the dispute between Liberty Life and IAWUSA or any other union.”

In its pamphlets IAWUSA states that Liberty Life workers have been on strike for the past two months because of a demand that their union be recognised. “It is our belief that the exploitation, degradation and discrimination we experience at work can be ended through a union of our own choice,” it states.
Sacked Liberty workers hold lunch-hour picket

Labour Correspondent

HUNDREDS of onlookers watched as about 45 strikers fired by the insurance giant Liberty Life staged a lunch-hour picket outside the Standard Bank in Simmonds Street, Johannesburg, yesterday.

The pickets said they were protesting because they believed Liberty's chairman, Mr Donald Gordon, was attending a lunch meeting in the building and because Liberty has a substantial investment in the bank.

It is unclear, however, whether Mr Gordon was in the building at the time. A Liberty spokesman said afterwards he was not aware that Mr Gordon had been due to attend a meeting or function at the building.

The picket is part of a campaign by the Insurance and Assurance Workers' Union of SA (IAWUSA) to win the reinstatement of strikers and recognition at Liberty.

About 50 workers were fired after they struck in support of demands that Liberty recognise IAWUSA. The company says it will not recognise the union because it is open to blacks only.

A key element in the campaign is a boycott of Liberty, the United Building Society and chainstore Sales House.

Pickets displayed placards sharply criticising Liberty's labour practices, accusing it of paying "ugly salaries" and of denying workers freedom of association. Several posters accused Liberty of being "racist".

Other pickets criticised Mr Gordon himself, one poster describing him as "an embarrassment in business life", while others attacked Standard's links with Liberty.

Police arrived on the scene about 20 minutes before the picket ended, but did not order the pickets to disperse. They made no arrests.

A plainclothes policeman took the name of one picket and questioned him briefly on the purpose of the protest, saying the police needed to keep records of "incidents, boycotts, and so on".

• Liberty Life has said throughout the dispute that it is a nonracial company and blacks and whites work in the same jobs at its Braamfontein head office.
Picket action against Liberty Life

By STEVEN FRIEDMAN
Labour Correspondent

The boycott of Liberty Life, United Building Society and Sales House, known as Liberty, by the Insurance and Assurance Workers Union of SA (IAWUSA), was gathering momentum, the union's president said yesterday.

In an interview after a union meeting, a union member, who had held a picket outside the Standard Bank building, said he had attended a meeting at a Standard Bank branch in Soweto.

The union had called a boycott of Standard Bank because of the bank's investment in Liberty Life.

Mr. Seoka, a member of the union, said the union had not received notice of the talks with the company.

A group of black brokers were also being boycotted by IAWUSA.

Mr. Seoka also implied that IAWUSA would call a boycott of Standard Bank because of the bank's investment in Liberty Life.

Despite claims that the boycott is not effective, it has the support of the United Building Society and Sales House, who have decided not to deal with Liberty Life.

The bank has also denied any knowledge of a deal being cancelled.

The spokesman added that the union appeared to be ineffective.

They have had no impact on Liberty Life. Although some banks have been boycotted, they have not refused to deal with Liberty Life.

The union has also claimed that the company has used considerable manpower to defeat the boycott.

Mr. Seoka said the union had no choice but to continue the boycott until the company surrendered.

He said IAWUSA had planned more pickets against Liberty Life, but the company refused to speak to them.

Liberty Life's spokesmen denied the company refused to speak to IAWUSA.
Union threat to call boycott of Champion of Champions

By JOSHUA RABOROKO
THE Sales House
Champion of Champions' Competition may be boycotted following a decision to nationalise the boycott against the giant Liberty Life Insurance Company.

This warning was given by the president of the Insurance and Assurance Worker’s Union, Mr Joe Seoka, who said the boycott against the company has received local and international support.

Speaking at a Press conference in Johannesburg yesterday, he said that several trade unions, including the Zimbabwean Associated Mineworkers’ Union, the Stop Loans to South Africa Organisation in London and the Union Federation in the United States, had pledged solidarity with the workers.

In another move announced at the conference, K-Mart Company, which has thousands of rand’s worth of policy with Liberty Life, said it had removed certain group insurance policies from Liberty and had placed these with an organisation which “we feel is more compatible with our policy.”

The boycott against the Champion of Champions competition has been called because the company that sponsors the competition has links with Liberty Life although Sales House has denied this claim, according to Mr Seoka.
Black union is gunning for Liberty

JOE SEKO

By 'Argus' Macmillan

ANY company with Liberty Life directors on its board is fair game for the boycott campaign of the militant Insurance and Assurance Workers Union of South Africa (Lawusa), says union leader Joe Seoko.

Lawusa members were hired by Liberty for striking after Liberty refused to recognise the all-black union.

Since then Lawusa has plastered central Johannesburg with thousands of "Boycott racist Liberty Life" stickers, and has urged boycotts of Liberty-associated companies Sales House and the United Building Society.

On Friday the union staged a picket protest outside Standard Bank's head office in Simmonds Street, Johannesburg.

Mr. Seoko's latest statement means that Premier Group and SA Breweries could also be singled out for protest treatment.

He told Business Times that, if it came to it, the union would boycott SAB's beer products and jeopardise the Sales House-sponsored Champions of Champions soccer tournament next year.

The union demands the reinstatement of the 16 dismissed Liberty employees and unconditional acceptance from management.

"We are not campaigning against companies with Liberty Life links, but merely putting pressure on Donald Gordon to recognise us and give back jobs to the workers who were fired," he says.

The insurance giant has insisted that the union be multi-racial, but Mr. Seoko claims that this would lead to whites' eventual watering down its efforts to further the cause of non-white employees.

Liberty executive director Mark Winterburn is adamant that the group will not change its stance and says that the matter is over.

"We have rebuked and are still of the opinion that a multi-racial union is essential in an integrated organisation like ours."

Critics of the two sides say it is Lawusa that is being racist in the matter, but that Liberty "should have known better than to have trampled on the pride of the union".
Les' linking raid to SA

Raymond was under police protection, the spokesman replied. "He is not in detention. He is living with friends." The kikus left no clues as to their identity, the spokesman said.

Mr Nyanda, who came from Soweto, the brother of Mr Sipho Nyanda, reportedly the leader of "Gabela Machinery," a military unit of the ANC. Some observers believe Mr Sipho Nyanda was the real target of the assassins.

The ANC presence in Swaziland has become increasingly precarious. The Swazi Government has adopted a tough attitude towards ANC expatriates and key exiles have proved to be vulnerable to assassination.

In June last year, Mr Petros Ntsoa, of the ANC, and his wife, Jabi, were killed by a car bomb. In December, 1971, two ANC cadres were killed by gunmen just inside the Swazi border with South Africa. At about the same time the senior ANC representative in Swaziland, Mr Stanley Mazibela, was withdrawn, reportedly because he was too vulnerable to attack.

Meanwhile, a spokesman for the Office of the President of Botswana confirmed yesterday that Botswana had formally requested South Africa to assist Botswana police in their investigations into the involvement of South African registered vehicles in a shootout last week with a Botswana Defence Force patrol.

Last week black men in two South African registered cars reportedly opened fire on Botswana soldiers and then, when their fire was returned, abandoned the cars.

In another development concerning Botswana and South Africa, it is reliably understood that Botswana has not yet responded to a request from Pretoria for a full report on the killing of two men in the Chobe River by Botswana soldiers.

By STEVEN FRIEDMAN
Labour Correspondent

ACTION by boycotters prompted the closing of two United Building Society (UBS) branches - in Lenasia and Soweto - for the day on Saturday, according to the Insurance and Assurance Workers Union of South Africa (IAWUSA).

Spokesmen for the UBS were not available for comment yesterday.

The union has called a boycott of UBS as part of its campaign against insurance giant Liberty Life, which recently fired 20 workers at its Bramfontein head office after they struck in support of demands that IAWUSA be recognised by the company.

Liberty says it will not recognise the union because it is open to blacks only.

According to IAWUSA, groups of boycotters, accompanied by fired Liberty workers, arrived at UBS's Soweto and Lenasia branches on Saturday to withdraw their savings - as IAWUSA had urged.

"At both branches, they approached the manager and informed him of their intention to withdraw their savings. At both branches, the managers reacted by closing the branches for the day," a union spokesman said.

IAWUSA, which is also urging a boycott of Liberty itself and the Sales House group of stores, claims that the boycott is "gathering momentum."

The union also claims that plans are underway to "nationalise" the boycott.

However, Liberty Life insists that the boycott is having no effect on it.

While IAWUSA has launched its boycott against UBS and Sales House because it says these are "african companies" of Liberty, a spokesman for the company says these two companies have no power to influence Liberty's stance.

"Our investment links with them are not as central as IAWUSA seems to think they are," a company spokesman said.

Boycott shuts UBS doors

(gangster sentenced to 15 years' jail

Blatt, 20, of Park Germiston, pleaded on 14 charges of housebreaking with intent to steal and counts of theft committed between July and August last year.

He told the court he and others drove around in a car, stopped at some houses and knocked at doors in search of the owners.

His request to be examined by a psychiatrist was rejected by the court.

He said: "I want to be examined because I feel there was something wrong with me."

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LABOUR DISPUTES

Going for Gordon

Given the failure of many consumer boycotts in the past, the chances of the current campaign against Liberty Life and its associated companies succeeding would appear slim. However, there is little doubt that in the months ahead the Insurance and Assurance Workers' Union of SA (Iawusa) may make life extremely uncomfortable for some of them. In particular, the union is focusing much of its ire on Liberty chairman Donald Gordon.

Nearly two months have passed since Liberty dismissed 89 black workers who struck in a dispute over the company's refusal to recognise Iawusa because it is a blacks-only union. Iawusa maintains that it is undeterred by Liberty's refusal to re-employ the strikers or change its stand on union recognition. The union insists that the boycott campaign is gaining momentum and says that it will be waged throughout the country.

Says Iawusa president, Joe Seoka: "Liberty Life believes the campaign will not be successful, but we are convinced that victory is ours because we have the resources and the manpower."

Iawusa knows that a black consumer boycott against Liberty itself would have extremely limited impact. However, it says that any company which has links with Liberty should regard itself as a potential target. So it is carefully selecting companies which it regards as potentially vulnerable to pressure because they cater for the black market.

The United Building Society, of whose board Gordon is a member, has already felt the effects of the campaign. Last Saturday Iawusa members staged demonstrations which resulted in two UBS branches — one in Dube, Soweto, and the other in Lenasia — being closed for the day. The union claims it is achieving significant support for its call on blacks to close their UBS accounts. UBS strongly denies that this call has had any noticeable effect.

Edgar's Group

Iawusa's identification of Sales House, a division of the Edgars Group, as a target has prompted Edgars to issue a public statement. It says that the "extended and immaterial investment relationship" between Sales House and Liberty can in no way be construed as an associate company relationship. Ironically, Edgars has an agreement with a black union — the Commercial, Catering and Allied Workers' Union of SA (Ccauwa) — with which it says it has worked amicably and constructively for over two years. Edgars says it is as anxious as its employees are to protect their security of employment from the consequences of any boycott.

Iawusa says it is considering calling for a consumer boycott of mealie meal produced by the Premier Group, and (somewhat naively according to seasoned observers of past consumer boycotts in SA) is hinting at the possibility of launching a boycott of beer produced by SA Breweries.

But, for the moment, it is focusing particular attention on Gordon himself. "The workers have vowed to use all their energies to pressurise Gordon to change his mind and attitude towards Iawusa and stop being a dictator by attempting to decide which union workers must belong to," says Seoka. He gives notice of an attempt to hound Gordon in public through the staging of demonstrations at any gatherings he attends in the months ahead.

"The union, together with the community, will spare no effort in following him wherever he goes. We will try to find out where he will be and will embarrass him."

Whether this will have any effect, remains to be seen. A spokesman for Liberty says the company's labour relations policies were developed by management — and not Gordon alone.

Liberty is, however, becoming increasingly concerned by what it says appears to be a sustained campaign of intimidation against black employees who did not take part in the strike. Iawusa strongly denies any involvement in such intimidation and says it has actively counselled its members to avoid confrontations with Liberty employees. The union says that for many black workers, their jobs are their only real form of property — and they can be expected to be very bitter about their dismissal.

Although the union tries to calm tempers, fights can take place — especially when strikers and non-strikers meet in shebeens.

However, a company spokesman says the employees have become so fearful of attacks that they have formed voluntary groups which patrol the townships to provide protection to their households. This week, one employee had to be taken to hospital after being assaulted. The spokesman says Liberty has been reluctant to approach the police in the past, but it now feels that the scale of the intimidation has become so great that police action is needed.
Good-looking, babyfaced Lengane puts issues most concisely. "This is supposed to be a free enterprise economy," he says, "and if you want to cut out the middleman, you can. But I wish we could just get to the man in person. I'd bet that what we're saying is getting distorted on the way up through his organisation."

Lengane grew up on the reef and went to school at Orlando West. He subsequently obtained a general certificate of education and four O-levels through correspondence. He was a member of the Soweto Students' Representative Council during 1976-77 and in June 1977 was detained and charged with sedition. After a total of 23 months in detention or on trial he was found guilty and given a suspended sentence.

"I came out to find that all the BC organisations I knew had been banned. I joined Azapo in 1981 and served as head of the national labour secretariat until last year."

At about the same time he held a temporary job with an insurance company where, he says, "I came face to face with exploitation of the black working class, in the form of meagre and unequal wages and non-recognition of black skills for promotion purposes."

Of the Azapo link, he says, "Both Iawusa and Azapo are organisations that have spun off from BC — it is not the case that Iawusa is an extension of Azapo."

All are married; Seoka and Lengane each have two children. Rakgoadi speaks for all of them on the subject of spare time activities. "What spare time?"

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**MURRAY GRINDROD**

**Changing tack**

Precision and drive are integral to Unicorn Lines (UL) Murray Grindrod. His Springbok golf cap — he was winner of the SA Amateur in 1960 and later played for SA in the Eisenhower Cup — testifies to that.

Nor is he the emotional sort. But the pride he takes in celebrating his company's 50th anniversary is poorly concealed. Understandably, as Grindrod, who has been MD of UL for the past 18 years — and laterly chairman as well — has had much to do with the firm's success.

Last year, UL, which lists Gencor and Safmarine as well as the Grindrod and Renaud families among its shareholders, reached the R100m turnover mark for the first time. And this year a similar performance is expected — despite the depressed shipping climate.

The company was formed by Leon Renaud in 1933 as African Coasters (Pty) Ltd and absorbed an earlier joint venture between the Grindrod and Renaud families in 1937. The operations of Smith's Coasters and Theseens Steamship Co were absorbed in 1956 and the name was changed to Unicorn Lines in 1975.

With 16 ships now flying the Unicorn flag and several others under charter, the company has come a long way. "It's worth recording," Grindrod says with some satisfaction, "that although 40 to 50 South African ship-owning companies have been started in the past 50 years, Unicorn Lines is the only one to have traded for all that time."

But that doesn't mean the next 50 years will be plain sailing — especially in a market characterised by serious over-tonnage, accelerating competition and shrinking world trade. UL hasn't gone unscathed, as Grindrod freely admits.

On international routes, it's been exposed to merciless rate-cutting. Coastal trade, on the other hand, has held up reasonably well, although some tonnage has been lost to road hauliers, a development shipowners view as disturbing. But in the long term, Grindrod believes, the answer lies in a revival in world trade, an accelerated rate of scrapping and fewer new vessels on the slipway.

He doesn't expect an improvement in foreign trade until Third World importers get their current accounts back into the black. Given the size of their debt burden and the International Monetary Fund's tough stance, chances don't look good. The best the industry can hope for, he says, is that it will "move off the bottom slightly next year."

Not a particularly promising outlook. But Grindrod assures UL is in good shape to meet the future. It's not short of ships, for example, having embarked on major re-equipment during the Seventies. Further, he says UL is looking hard at entering the road transportation business which seems to be creaming more and more cargo off the sea routes. Entry will almost certainly be by way of acquisition.

"It's an area we haven't been into before, despite our heavy involvement in container services." Other options could be some form of participation in to growing ocean cruise business. Grindrod admits that a "limited role" is possible, though he doubts if the local market is big enough to keep a cruise vessel fully employed.

Though Grindrod appointed a deputy MD this year to handle day-to-day operational matters, strategy clearly remains his responsibility.

"I'm consulted before any major decisions are taken," he confirms. Any speculation that he is about to retire to concentrate on his other business interests or improve his golfing backswing is probably premature. At 48 he feels he's far too young to consider retiring.

Frequently, his name, a fair complexion and aristocratic bearing have led to the suggestion that his passion for the sea stems from a Nordic lineage. Rather defensively, however, he points out that his ancestry is English. His grandfather, a crusty Liverpudlian, was a ship's master.

Grindrod joined the family business in 1957 after completing an engineering degree at Cambridge. His initial responsibilities were menial — supervising the loading and canvassing for freight. But they served as a thorough grounding for the responsibilities that were to come later. He was appointed MD shortly after Gencor bought in during 1964.

And what of his children — two completing university degrees and two still at school? Will they, too, succumb to the call of the sea? Grindrod is non-committal. "I've enjoyed it," he says, "and they would probably enjoy it too."

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*Financial Mail November 25 1983*
with benign contempt: "Dig a hole, you fall down the shaft," he says.

Although the white/black 49%/51% system is new territory for SA entrepreneurs, Katz has a savvy for black trading — developed from a wealth of experience in the field which few others can match.

"I am a self-taught man," says the heavily-accented Litvak, whose parents arrived in SA when he was eight. "My experiences when I myself was a small trader enable me to understand my customers today, to help them overcome the problems which beset the corner cafe competing with the supers and the hyper." 

Now 61, Katz left school in 1939 and started work in a mine store for 25/month.

"I had half a crown left after paying board, lodging and clothing. And from that half crown I paid 1/8d for my train fare and a ticket to park my bicycle at the station."

His parents, with help from a relative, bought a store in Klipptown. Coal and jererene were the main lines. Katz filled coal sacks from trucks at Klipptown station and hawked them round the streets in a hand barrow.

The Katz store went into mealie meal wholesaling, changing its name from Klipptown Supply Store to Klipptown Wholesalers. Katz became manager.

He spotted the cash-and-carry trend emerging overseas and noted that the traditional wholesaler was becoming a banker and a cartage contractor.

Needling more warehousing, he took over Leiserowitz Bros, thus acquiring a JSE listing. Expansion in the eastern Cape and OFS followed and Metro emerged.

But the really big take-off came in 1974 with Metro's merger with Natie Kirsh's Moshal Gevisser, once a traditional wholesaler, then a modern cash-and-carry operation. By the end of 1974, with Katz MD and Kirsh as chairman, Metro had 51 branches across the country (today it has 136, plus 16 Cashbuild builders' supplies outlets, six Bingo hardware cash-and-carries and Caterfair, a catering equipment outlet.)

With boycott threats dismissed, the Katz team smiles a lot these days — something Katz has done all his life, say friends, even when hugging his coal barrow.

There's no sense in dividing material conditions from the spiritual; the first affects the second and vice versa."

While still a seminarian in the early Seventies, Seoka was a member of the now-banned SA Students' Organisation (Saso), pathfinder of BC. After experience in the trucking industry as part of the industrial mission programme, he pressed for the formation of the Black Allied Workers' Union (Bauw). As Bauw got underway he became one of the first BC unionists to be trained by a Dutch industrial relations expert. In 1977 and 1981, he underwent trade union training in Holland and Germany.

"The German model of worker participation in management at policy and board level can't be translated directly to SA; and it has its weaknesses," he says. "For example, you often find shop stewards operating more as management than worker representatives."

Upon returning to SA he was posted to St Hilda's and began holding "labor clinics," using the church as a training base. Iawusa and other BC organisations were launched from it.

Seoka does not see Iawusa's BC orientation leading to clashes with other labour organisations with a different, non-racial orientation. He stresses also that Iawusa doesn't see its organisational stamping-ground being confined to the insurance industry. He says: "We're also getting underway among other financial institutions like building societies and banks."

As he sees it, Liberty's intransigence has forced Iawusa to put pressure on its management — specifically in the person of Harmon — by calls for boycotts. Whether they win or not, the boycott strategy will be changed for good and all by their tactic of harassing affiliates to get at a central monolith.

Mild-mannered Rakgoadi resigned this year as an SA Eagle insurance clerk, after seven years' service, to take on the general secretary's job fulltime. He became acquainted with unionism while on the company's liaison committee.

"I found solving problems through management's own mechanisms wasn't enough. We had no power. At St Hilda's I began to raise the question of a union for insurance employees. We called a general meeting of a number of insurance workers from different companies and elected an interim committee to draft a constitution and preside over the birth of the union," he explains.

Both Seoka and Rakgoadi were elected to the committee. Some months later, in August 1982, a properly-constituted executive was formed and Rakgoadi began his term as general secretary.

The Liberty campaign is Iawusa's first major confrontation. Rakgoadi won't say whether it's a make or break venture, but stresses that credibility among their constituents and community is their guarantee of survival. That, and professionalism, he adds.
A battle rages over liberty and life for a union

By Carolyn Dempster

Stickers on shop windows in the city centre proclaim: “Boycott racist Liberty Life.” Sales House shoppers are urged not to buy at the Edgars-owned store, while United Building Society’s black clients are persuaded to close their accounts.

In recent weeks Liberty Life chairman Mr Donald Gordon has been the target of the boycotter’s pickets.

The pressure tactics are at the heart of a campaign being waged by the Insurance Association Workers Union in renewed efforts to gain recognition as a union from Liberty Life Association.

The struggle began in July this year when black staff at the company’s Braamfontein head office went on strike over a wage dispute and other matters. The workers agreed to return to work, but Liberty refused to recognise the union as the official representative of black workers.

Statement released in March, Liberty reiterated that the company was not prepared to negotiate with a racially-based union, neither was it prepared to recognise an unrepresentative union.

“Liberty Life accepts the principle of freedom of association and accordingly accepts the right of its employees to join trade unions. The company however is firmly committed to the furtherance of equality and is proud of its totally multi-racial work environment and conditions,” said the policy statement.

Iawusa membership is open only to blacks, coloured people and Indians, but the union’s chairman, the Reverend Joe Seoka, sees no problem in this.

“The interest of the black and white workers are really very different. It would be impossible to be representative on a multi-racial basis,” he said.

In any event, why should Liberty dictate to workers which union they should or should not join if they truly believe in freedom of association, he argued.

On September 29, 95 Iawusa members went on strike in a bid to force the company to recognise and negotiate with their union. The next day, Liberty fired the workers when they refused to return to work. Letters of dismissal were sent to 89 of the strikers.

Over the past two months the union has tried in several ways to reinstate the sacked workers and gain union recognition.

The strikers have staged placard demonstrations outside Liberty’s head office, solicited the support of fellow unions and sympathetic overseas bodies, and have finally resorted to the boycott tactic.

Realising that a boycott of Liberty itself would achieve very little, the union has chosen the “soft targets” among Liberty Life associates where they are convinced they will achieve some success.

The boycott plan involves the United Building Society because Mr Gordon is a director of the building society and Sales House, a company with predominantly black customers.

The boycott tactic has so far caused at least two UBS branches to be closed for a couple of hours and has prompted the union to spread the plan to the rest of the country.

The campaign turned into something of a personal vendetta this month when Mr Gordon was chosen as a target because of his position as chairman of the group.

Liberty Life is riding out the storm.

“We have been labelled racists for holding a multi-racial view,” said Mr M Jackson, the company’s deputy general manager of human resources.

“We have presented our case and once the issues have been understood, we have received support. Mr Gordon is not at all perturbed by the personal campaign and is prepared to take it on for adoption what he considers to be a just stand,” Mr Jackson said.

The company believes that a boycott will have minimal financial impact and pressure on associated companies — where links with the insurance giant are tenuous — and are not likely to sway Liberty’s industrial relations policy, Mr Jackson said.

Liberty Life argues from a moral base, pointing out that Iawusa is overtly “political” and unrepresentative of even the black staff.

While Iawusa has steered clear of the industrial court for fear of creating a precedent which would be as much to the advantage of right wing white unions as it would to black, it is an avenue which remains to be explored, said Mr Seoka.

Liberty would willingly accept an industrial court ruling on the matter, said Mr Jackson.
The personal campaign against Gordon also appears to have hit a stumbling block. According to the union, Gordon is overseas at present and therefore out of its reach. But Lengane says organisations abroad which are sympathetic to the union are attempting to trace him. If successful, they will stage protest and pickets, says Lengane.

Lengane is not deterred. He says the union’s campaign is gaining momentum and cites the establishment of a committee in Natal to co-ordinate and monitor the boycott as a significant step forward. He says support has also been expressed by students at the Medical University of SA, the Seshego Civic Association, the Azanian Peoples’ Organisation and the Black Lawyers Association.

Several overseas bodies have also expressed support, according to Lengane. They include the End Loans to SA group, the Banking Insurance and Finance Union and the Finance Workers’ Broad Left in the United Kingdom; Fiets, the Geneva based shopworkers’ international organisation; and the Azania Committee in Rotterdam, Holland.

**BOYCOTTS**

**Little impact yet**

The Insurance and Assurance Workers’ Union of SA’s (Iawusa) boycott against Liberty Life and its associated companies appears to be getting off to a slow start. But given the union’s determination to continue with the campaign it may be premature to pronounce it a failure.

Iawusa’s battle with Liberty started some two-and-a-half months ago when the company dismissed 80 workers who had struck over its refusal to recognise the union. Liberty, which prides itself on being a multiracial company, objects to recognising the union because of its provision for blacks-only membership. The union, on the other hand, claims the company is violating the principle of freedom of association: that the choice of which union to join is an issue which should be left entirely up to workers themselves.

In organising the boycott, Iawusa, recognising that it would probably have little impact on the company itself, since it has very few black policyholders, concentrated on Liberty’s associated companies. The main targets so far have been the United Building Society (UBS) and Sales House, the black clothing retailer forming part of the Edgars group. The union says once it has made inroads with these companies it intends broadening its scope to include Standard Bank, the Premier group and SA Breweries. Iawusa has also vowed to hound Liberty chairman Donald Gordon to stage pickets whenever it can find out where he is.

By the union’s own admission, little progress has been made. Iawusa national organiser Jefferson Lengane, while stressing that it has been extremely difficult to verify how many people have been persuaded to close their UBS accounts, tells the FM that some 80-90 people have actually taken the step. Lengane claims progress has been made with the Sales House boycott. But it is difficult to gauge what the impact has been.
THE Insurance Assurance Workers Union has nationalised the Liberty Life Insurance Company boycott and has formed a support committee in Durban, according to a union official yesterday.

The officials said that they intend to establish other boycott committees against management in Cape Town, Port Elizabeth and other major cities in the country.

The boycott campaign has been launched by the sacked 106 workers in an attempt to pressure Liberty to recognise the union. Liberty has maintained that it wants a non-racial union because of the structure of its workers — black and white.

The officials said the boycott against the company and its associates was gaining momentum with more messages being received from overseas and elsewhere in recent days.

Some of the associates of Liberty the union was looking at were the United Building Society, Sales House and Standard Bank, and they were now intending to stretch their arms to the Premier Group.

The officials said several British firms have interests in Liberty Life, including Guardian Royal Exchange Assurance and Standard Bank. A British company had written to Guardian Royal Exchange and Standard asking them to intervene to protect the democratic rights of trade unionists to form the union of their choice.
FINANCE - LABOUR

1984 - 1985

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Krugersdorp, Nigel, Onderstepoort, Pretoria, Randburg, Randfontein,
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Elizabeth, Simons Town, Wynberg, Durban, Alberton, Benoni,
Area C: Bellville, The Cape, Goodwood, Kuilsriver, Port

Area B: East London

Area A: Outshoorn

Superseding W.d. no: 341

399 - BRUSH AND BROOM MANUFACTURING INDUSTRY, CERTAIN AREAS
THUMBS DOWN TO BLACK UNION

BY JOSEHUA

RABOROKO

Join the union

This is my experience above

From Britain and Judah

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Liberty stand spelled out

LIBERTY Life Insurance Company will only recognise a trade union in which whites are in the majority and blacks in the minority.

This was told to The SOWETAN yesterday by the company's deputy general manager, Mr. M.J. Jackson, who said that the reason behind this was that "the majority of the workforce was white".

He was responding to a snap survey which revealed that most white, coloured and Indian employees at the company were not in favour of forming a union nor wish to belong to the Insurance Assurance and Allied Workers Union (IAAWUSA), which represents black workers at the concern.

He stressed the company's policy of having a trade union which will be fully representative of all workers, irrespective of their race, creed or sex.

It is now four months since Liberty dismissed 89 black workers, members of the blacks-only IAAWUSA, who went on strike in a dispute over the company's refusal to recognise the union.

The union has said that it was deterred by Liberty's refusal to reinstate the workers or change its stance on recognition but insists that it will intensify its boycott campaign.

Mr. Jackson said that they will only recognise a trade union which fully represents the workers.
STANDARD Bank's R15-million investment in its 276 Autobank machines is paying off — at the cost of jobs.

The head of the bank's personal banking services, Gutch Vickers, says the Autobank network has enabled Standard to reduce its teller staff by 50.

This is a saving of about R550 000 a year in salary costs alone. In 1985, 14 400-million transactions were recorded through the Autobank network, and in December a record 1 700-million transactions were processed.

Standard has by far the biggest automatic teller machine network of all the banks, and last year installed machines at a rate of one every three days.

The linkage of its savings accounts to the machines — with the added incentive of one percentage point higher interest — helped to increase the balances held in Standard's savings accounts by R25-million (2.1%) in the quarter to December.

It was the only big bank to achieve an increase in the balances of savings accounts in the three months.

Another reason, says Mr Vickers, is that unlike some of its competitors, Standard Bank clients are charged nothing for operating a savings account.
Black union calls for a boycott of Standard Bank

By Jo-Anne Collinge

Industrial Court action and a renewed boycott of institutions associated with Liberty Life are the dual strategies planned by the Insurance, Assurance and Allied Workers' Union (Iawusa), which is seeking reinstatement of 90 members at Liberty and the recognition of the union.

The workers were fired five months ago after striking in protest at the company's refusal to recognise Iawusa. The company has maintained it will not recognise an exclusively black union.

The Rev Joe Seoka, president of Iawusa, said yesterday the first move in the renewed campaign would be to launch a boycott of Standard Bank, which has significant links with Liberty Life.

He appealed to churches, community organisations and firms throughout the country to support the boycott by withdrawing funds from Standard Bank. A special plea is to be made to the National African Federation of Chambers of Commerce (Nafcoc).

Tomorrow members of Iawusa will picket the Standard Bank in Jabulani, Soweto. "We will not intimidate clients but we will try to explain to them what the dispute is about and how breadwinners have been out of work without compensation for months," said Mr Seoka.

Iawusa attempted to launch a boycott of several other institutions associated with Liberty Life late last year. These included Sales House and the giant United Building Society. The campaign petered out shortly after some members were arrested and there was talk of intimidation charges, said Mr Seoka.

He added that Iawusa was taking legal opinion on Industrial Court action against Liberty Life on the grounds that workers' rights to associate freely with a union of their choice were being infringed.

MP tells of attack at farm

Pretoria Correspondent
Six men face charges of robbing a Conservative Party MP of six firearms, a hat, jacket, watch and R500 cash.

Mr Hans Schoeman was allegedly listening to a church service on his farm at De Wildt, outside Pretoria, on the evening of February 20 last year when there was a knock at the door, according to papers before the Pretoria Supreme Court.

He opened it and four black men, one in a police uniform, entered his house under false pretences. They allegedly produced a firearm and demanded money, then assaulted Mr Schoeman, threatened to castrate him and tied him to a chair.

Mr George Phofedi (38) of Ga-Rankuwa, Mr Bigboy Legodi (28) of Mamelodi, Mr Joshua Marana (36) of Mamelodi West, Mr David Masemmbuka (54) of Mamelodi, Mr Exekiel Lekong (37) of Mamelodi West and Mr Stephanus Alfred Malunga (36) of White River have been charged with robbery with aggravating circumstances and illegal possession of firearms.

They pleaded not guilty. The hearing continues.
Union pickets Standard Bank

Members of the Insurance, Assurance and Allied Workers' Union (Jawusa) picketed the Jabulani branch of Standard Bank in Soweto yesterday in an attempt to pressure the insurance giant Liberty Life into talks on the sacking of about 100 workers.

The bank has significant investments in Liberty Life, which fired the workers in September when they struck in support of demands that the company recognise their all-black union.

Liberty Life has said it will not recognise a union which expressly excludes white members.

Since the dismissal Jawusa has tried various strategies, including boycotts of associated firms, to draw the company into negotiation.

A small group of picketers and pamphleteers patrolled the front entrance of the Soweto bank yesterday, explaining their campaign to clients.

Police kept watch but did not intervene.

The placards declared the Standard-Liberty link an "unholy alliance" and a "marriage of racism."

The pamphlet called on the public to refrain from taking out insurance policies with Liberty and to boycott banking and loan services of the Standard.

It explained the Jawusa position: "We, the black workers, justly reject management's choice of a union as we blacks do not have the same interests as whites — politically, economically, socially and culturally.

It is our belief, that the exploitation, degradation and discrimination we experience at work can be ended through a union of our own choice."
Smiles all the way for bank staff

WHILE the rest labour under recession and sub-inflation-rate salary increases, employees at financial institutions are smiling all the way to their staff accounts.

On average, insurance company employees enjoyed a 15.6% salary increase in the past year, and building society officials received rises of nearly 14%.

Although the bank staff may feel hard done by with an average increase of only 8%, they still earn about R300 a month more on average than their building society compatriots.

They can also console themselves with their fat housing subsidies.

Computers

The number of bank employees overall rose by more than 6% in the past year, and labour-saving computerization was installed at the fastest rate ever, so bankers are certainly less overworked now than in the past.

These figures on earnings and employment by financial institutions were released by the Central Statistical Services this week.

They tie in with Reserve Bank figures which show that in spite of two years of a shrinking economy, the services sector has yet to experience three successive months of decline.

Banks, insurance companies and building societies have to meet a salary bill of

By Alec Hogg

R1 000-million this year - 17% higher than in 1983.

Part of the reason for the increase is increased staff levels. At the end of March, 155 000 people were employed by financial institutions - 2.2% more than the 147 000 of a year ago.

Biggest

Banks were the biggest drawers of new staff. Their staff compliments are up 6.2%, and building societies have 4.1% more employees.

Insurance companies experienced a 3.8% growth in staff numbers.

Other features in the figures are that Asians earn on average much more than other non-white population groups and that insurance companies pay them better than other financial institutions do.

Asians working for insurance companies earn an average of R560 a month compared with R515 for coloureds and R454 for blacks. Whites are still well ahead with an average salary of R1 430 a month.

Well behind

Salaries paid by building societies still lag well behind the other financial institutions. The white official receives an average monthly remuneration of R55 compared with R740 for Asians, R680 for coloureds and R450 for blacks.

The only sector to make significant progress in closing the wage gap over the past year was the banks. The average salary of a white bank employee rose 6.5% compared with 10.9% for blacks, 14.6% for Asians and 16% for coloureds.
Bank union against extending hours

by Robert Greig

The 30,000-strong bank employees' union, Sasbo, says members "have reacted angrily to yesterday's announcement that Barclays will open on Wednesday afternoons from February 20."

The South African Society of Bank Officials' statement that the union was consulted about the new working hours and believes that they will do little for productivity or quality of service.

"We resent the implication that there was collusion between Barclays and us. It was a unilateral decision and there was no consultation," said the union's assistant general secretary, Mr Tom Chalmers.

"Twenty-four hours before the announcement was made, we were told that Barclays would be opening on Wednesdays. We were asked to keep it confidential from the bank's competitors."

"I cannot see how the bank will be able to give time off to staff for the extra time worked." Mr Chalmers stressed that the union realized the Wednesday closing was "a privilege, not a right."

But, he added: "When you have had a privilege for 20 years, it becomes a de facto right."

Mr Chalmers said that the union believed that service to the public could be impaired by the new working hours.

"This was because many of the bank's operations were run by specialist staff in home loans and insurance and foreign exchange."

"If time off were given, then the service would inevitably be impaired because the bank would be forced to 'juggle' staff, the union believed."

"This move is very unpopular," Mr Chalmers said, "and it has had a violent reaction from staff."

Sasbo represents 30,000 bank officials, including 75 percent of Barclays' workforce of 24,000, and has close links with the in-house associations of Nedbank and Volkskas.

A Barclays spokesman said yesterday: "We first approached the union about Wednesday closing on Monday, and discussions were amicable. We feel we have consulted the union, although we were not bound to."

"We are confident that the arrangement will work and benefit our clients."

Metal markets

London: Closing prices (in sterling) on the London Metal Ex- change in the order of: Turnover, first lot, tons, cash, b/lots, deben- tures, bonds, bullion and silver and gold.

Copper: Higher grade — 14250, mainly carry, cash, 12400, 1200, 1100, 1050, 1000, 950, 900, 850, 800, 750, 700, 650, 600, 550, 500, 450, 400, 350, 300, 250, 200, 150, 100, 50, 0.

Silver: Larger grade — 20, 18, 16, 14, 12, 10, 8, 6, 4, 2, 0.

Gold: Larger grade — 10, 8, 6, 4, 2, 0.
TUCSA RESIGNATION?

The Trade Union Council of SA (Tucsa), already hit by the loss of over 140,000 members through disaffiliations in the last 18 months, this week faced the prospect of losing yet another union. This time it is the 29,000-strong SA Society of Bank Officials (Sasbo) that wants out.

The final decision was due to be taken shortly after the FM went to press. In an effort to avert the threatened withdrawal, Tucsa president Robbie Botha was due to address the union's general council.

Sasbo general secretary Ben Smith says the union has already sent a letter to Tucsa announcing its intention to withdraw. However, it had agreed to Botha's request for a hearing.

Smith says Tucsa is essentially a blue-collar organisation and Sasbo (essentially a white-collar grouping) questions any benefits from affiliation. The union has not discussed the possibility of joining another union federation.
Staff anger as Barclays takes away half-day

By Amrit Manga
BARCLAYS Bank's decision to end its 50-year tradition of half-day Wednesdays will be opposed by employees at a meeting in Durban tomorrow.

The special general meeting has been called by the SA Society of Bank Officials (Sasbo), which claims to represent 94% of bank employees.

Sasbo officials are perturbed that Barclays management did not consult the union.

Tom Chalmers, Sasbo's assistant general secretary, says: "The union has not been officially informed of the bank's decision."

Erosion

The union's general secretary, Ben Smith, says: "Employee anger at losing their half-day is even higher than the opposition to perks tax."

"In 20 years as a trade unionist I have not seen such anger against management."

Mr Chalmers says: "This is a further erosion of employee rights which will lead to increased staff movement and adversely affect the bank's highly mechanised operations."

He estimates that if 1 000 employees change jobs, the bank could lose R30-million invested in training.

According to the union, many senior officials say they will think twice about working voluntary overtime. They threaten to work to rule if the bank adopts a hard line.

Sceptical

Mr Chalmers says: "Rank and file employees are sceptical about the four hours off a week offered in place of the Wednesday half-day. The four hours are conditional on the bank's service not being hurt."

The four hours will include the lunch hour, effectively cutting the time off to three hours.

Sasbo claims that Barclays management initially denied reports that the bank planned to open on Wednesday afternoons. Union officials were told Barclays was merely making contingency plans to cope with Nedbank's apparent intention to open on Wednesday afternoons.

Sasbo says it was told later that Barclays planned to eliminate half-days on Wednesdays, but union officials were sworn to secrecy and warned not to discuss the issue with their General Council for fear that it might leak out to the Press.

Union officials were also told that any employee found guilty of leaking the bank's intention to the media would face dismissal.

Sasbo says: "Administrative managers and accountants - the people responsible for administering the four hours due to employees in lieu of Wednesday afternoons - are equally annoyed."

Trying to juggle staff among various departments to give them time off will be a nightmare, says the union.

Standard Bank is also to stay open on Wednesday afternoons.
Bank workers’ protest

DURBAN. — Hundreds of employees of the two major banks, Barclays and Standard, are expected to attend a meeting in Durban City Hall tonight to protest against a move by Barclays Bank to break away from banking tradition and stay open on Wednesday afternoons.

At present the banks close at 1pm on Wednesdays and their employees effectively have most of the afternoon off.

A spokesman for Barclays workers said yesterday that the move to open all day on Wednesdays had caused widespread resentment among staff, who felt they would not be paid overtime.

“We work four hours on a Saturday and the Wednesday afternoon off in a way compensated us for the Saturday work. It also allowed employees time to do their shopping and other chores. If we have to work a normal day on Wednesdays in addition to the Saturday morning shift we’ll have no time to do our shopping,” he said.

Employees at Standard Bank said they had not yet been officially informed about working on Wednesday afternoons, but it would be inevitable if Barclays went ahead.

“We are also lodging our protest for the same reasons advanced by Barclays Bank employees,” said one worker.

The meeting is being convened by the SA Society of Bank Officials.
Bank employees slate work move

Own Correspondent

DURBAN — The decision by South Africa's two major banks, Barclays and Standard, to open on Wednesday afternoons came under seathing attack at a lively meeting of more than 500 bank employees in the City Hall here last night.

Speaker after speaker slated the move and wide-ranging suggestions, including a strike, work-to-rule, go-slow, and a demand for a 10 percent increase in pay as compensation for Wednesday afternoon work, were made by members in the hall.

Opening the meeting, Mr Ben Smith, general secretary of the South African Society of Bank Officials (Sasbo), which convened the special general meeting, said the loss of the Wednesday afternoons had come as a great shock to members.

"Members expressed anger in various ways. We at Sasbo have never seen members so angry and disgruntled."

"I can't see the need for Barclays opening on Wednesday afternoons. It has become a 53-year tradition and could even be classified as accepted banking trade practice."

Barclays indicated that it would grant employees four hours off a week, but most accountants had already indicated this would not be a workable proposition because of disruption in the duties it would cause.
Bank union seeks hearing on hours

The South African Society of Bank Officials (Sasbo) has requested a Conciliation Board hearing on the question of extended banking hours on Wednesdays.

The move follows a decision by two major banks, Barclays and Standard, to remain open for business until 3.30 pm on Wednesdays instead of closing at 1 pm.

PRIVELEGED

Mr B Smith, president of Sasbo, today said that the society had written to the Minister of Manpower requesting a Conciliation Board hearing in terms of section 43 of the Labour Relations Act.

He said Sasbo's main objection was that a privilege that had been enjoyed for more than 50 years was being removed.

Although the banks had said staff could take time off, this was not practical. Time off could also not be accumulated, he said.

"People in a bank are specialised and it's going to be difficult for customers if they want advice to find that the person they need to speak to has taken time off," he said.

The senior general manager of personnel at Barclays, Mr Dennis O'Brien, today said that the question of time off on Wednesday afternoons was not a right.

"Employees sign articles when they join us which stipulate an eight-hour working day from Monday to Friday, including an hour for lunch, plus four hours on Saturday," he said.

Mr O'Brien said banks worked with a skeleton staff on Saturdays and many employees had been working a 4½-day week.

He said that Barclays would still give time off to staff who worked on Saturdays.
A black day for 'mourning' tellers

By DIANE CASSER

TELLERS wore black at a City bank yesterday as they mourned the passing of the leisurely Wednesday afternoon.

A 52-year tradition in banking came to an end when Barclays National Bank decided to remain open on Wednesday afternoons to offer an improved service to customers.

This came into force yesterday and for the first time the massive doors of the bank's branches remained open on the mid-week afternoon.

Tellers at the Adderley Street branch wore black to mark the historic occasion: "We won't get our Wednesday afternoons back until the steamships collect the mail again," said Mrs Betty Gordon, a popular and well-known teller.

Employees good-naturedly got on with the job while those customers who were aware of the extended service filed in to take advantage of it.

In future, time off to employees will be worked on a flexi-time basis with every second Saturday morning off and, for instance, two afternoons a month.

Mrs Fran Smith, also a teller, said she usually spent Wednesday afternoons with her daughter Fiona, aged 2.

"There will probably be a few teething problems, but we'll all get used to the new routine," she said.

Mr Chris Shutte, regional marketing manager for the bank, said that while employees good-naturedly "mourned" the lost Wednesday afternoon, they were aware that as a service industry they would be offering an improved service to customers.

The Cape Times correspondent in Durban reports that Barclays Bank there marked the end of Wednesday afternoons off with special gifts for the first few customers who walked into the bank after the normal 1pm closing time yesterday.
Bank workers plan protest meeting

EAST LONDON — Bank employees here plan to hold a protest meeting against the decision by the country's major banks to remain open on Wednesday afternoons.

Mrs Penny Dormer, the chairman of the East London branch of the South African Society of Bank Officials (Sasbo), said the meeting would be held in the city hall next Tuesday.

She said she hoped 200 to 300 people would attend, including Sasbo members from such surrounding towns, as King William's Town.

The move follows a protest meeting held in Durban this week. Employees have objected to the decision as it was taken without consultation with Sasbo, and because they say they are expected to work longer hours without extra pay.

— DDR.
Bank employees will oppose new working hours

Bank employees country-wide will hold protest meetings to register their discontent with the new working hours recently introduced by two major banks.

The South African Society of Bankers will declare a dispute with Barclays and Standard and call on the Minister of Manpower to set up a conciliation board, the union's assistant general secretary, Mr Tom Chalmers, said.

"Our members want to register the level of discontent and to show management the types of problems we are already experiencing," he said.

Barclays said late last month its employees would have to work Wednesday afternoons and Standard said the same last week.

Sasbo has accused the banks of taking a unilateral decision without consulting employees.

Barclays and Standard management said they did not consider the question of working hours to be negotiable.

Barclays general manager Mr Denis O'Brien said the bank was prepared to consult with the union, but "we have not gone outside of the working hours agreement we have with our employees".

Standard's Dr Henry Fabian said a meeting had been held with senior staff members before the decision was made.
THE SA Society of Bank Officials (Sasbo) is to fight Barclays and Standard banks over working on Wednesday afternoons.

Tom Chalmers, Sasbo's assistant general secretary, says: "The union believes the banks' failure to negotiate the extension of working hours constitutes an unfair labour practice."

Sasbo has applied for an Industrial Conciliation Board to consider the dispute.

Although Barclays stayed open on Wednesday afternoon for the first time this week, the union says it will take steps to stop it from doing so until the board has considered the dispute.

Sasbo is not prepared to say what it will do if its plea to the board is rejected.

Standard Bank says it has not extended the 44-hour week agreed to in terms of the conditions of employment. Time off on Wednesdays was a privilege.

Time off

Dennis O'Brien, Barclays senior general manager, personnel, says: "In terms of an agreement between the union and the bank, employees are required to work a 44-hour week. We are merely implementing this agreement. Workers may, however, still be allowed time off, depending on the work flow.

Mr Chalmers, however, says time off for black employees during slack hours is meaningless.

"Public transport is geared to providing an adequate service at peak hours only. Many employees will have to wait a long time for transport to the townships." Henry Fabian, general manager, manpower and marketing at Standard Bank, says: "We have considered the inconveniences that might be caused to workers and have asked them to suggest ways to reduce the irritation."

Mr Chalmers says: "Although Barclays branch staff achievements exceeded management targets, profits declined. It now appears that management is trying to rescue the situation by demanding more from its workers."

Losses

In a circular to staff, Standard Bank cites the industry's inadequate response to customers' needs as one of the reasons for extending working hours on Wednesdays.

"Furthermore, we must realise that the move by a major competitor to extend hours on Wednesdays leaves us no choice but to follow."

Standard Bank says approaches are being made to the Automated Clearing Bureau (ACB) and the Reserve Bank for later clearing and delivery times on Wednesdays.

Mr Chalmers warns: "Without the ACB extending its hours, banks which stay open on Wednesday afternoons stand to lose considerable amounts through accumulated cheques that cannot be processed the same day."

Mr O'Brien, however, says that "if all banks stay open on Wednesdays, losses will not be incurred in this way."
Bank workers to protest on extended Wednesday hours

Thousands of bank employees across South Africa will attend protest meetings this week to fight the decision by two major banks to extend working hours on Wednesdays.

At the same time, the South African Society of Banking Officials (Sasbo) has given Barclays Bank until noon tomorrow to respond to its demands or the union will take legal action.

Protest meetings will be held in the Johannesburg City Hall and in Benoni on Thursday.

Protests are also being held this and next week in Maritzburg, Uvongo, East London, Klerksdorp, Grahamstown, Port Elizabeth, Nelspruit, Stellenbosch, Cape Town and Bloemfontein.

Meetings were held in Durban and Pietersburg last week. The society has about 30 000 members.

In a statement released today, Sasbo said it had asked the bank to go back to the old Wednesday working hours "pending proper consultation and negotiation".

Barclays, announced last month, that its members would work on Wednesday afternoons — and Standard Bank followed suit.

"If Barclays does not accede to those demands by midday on Tuesday, Sasbo's attorneys have been instructed to apply to court for relief," the statement said.

This would include an application to the industrial court for an order requiring Barclays to return to the old hours, and an application to the Minister of Manpower for the appointment of a conciliation board.

"Sasbo notes that after 39 days have lapsed from the lodging of the conciliation board, industrial action would be possible."

The society is also considering approaching the Minister to ask that Barclays not be allowed to depart from the prescribed hours of work.

Barclays's general manager Mr Denis O'Brien said the bank was prepared to consult the union, but added that the bank had not gone outside the working hours agreement it has with the union.
Union ultimatum to Barclays Bank

JOHANNESBURG. — The extension of Wednesday banking hours by Barclays Bank has drawn an ultimatum from the South African Society of Bank Officials (Sasbo) — unless Barclays reverses its “unilateral” decision by midday today, Sasbo would apply to court for relief, the union said yesterday.

Sasbo said Barclays had undermined the role of the union and detrimentally affected the legitimate interests of its members in declining to deal with Sasbo over the extension of Wednesday working hours, implemented on February 20.

In a statement, Sasbo said the bank had unilaterally altered the employment circumstances of bank officials by requiring them to perform regular services on Wednesday afternoons.

Sasbo demanded that Barclays restore the status quo, pending proper consultation. Unless the bank acceded to this demand by midday today, Sasbo’s attorneys were instructed to apply to court for relief.

“This includes an application to the Industrial Court for an order requiring Barclays to revert to the status quo. The application to the Industrial Court will be accompanied by an application to the Minister of Manpower for the appointment of a conciliation board.”

The statement said Sasbo was also considering approaching the Minister of Manpower to ask that Barclays’ exemption from the Basic Conditions of Employment Act, under which it is allowed to depart from the hours of work prescribed by law, be withdrawn.

Sapa
Barclays meets union on Wednesday issue

Own Correspondent

DURBAN.—The ultimatum issued to Barclays Bank to reverse its "unilateral" decision of staying open on Wednesday afternoons or face court action expired at midday yesterday without any formal response from the bank.

Mr Tom Chamers, a spokesman for the South African Society of Bank Officials, SAsb, said the union would meet Barclays senior management in Johannesburg today for "informal discussions".

A spokesman for Barclays Bank headquarters in Johannesburg said yesterday that bank lawyers were still studying the union demands.

Asked about the ultimatum given to the bank, he said late yesterday: "Well it expired at midday and we haven't heard from the union."
Bank staff in militant mood

It takes a lot to disturb the serenity of the banking halls, but last night bank employees showed in Johannesburg City Hall that they were determined to break the silence. Cheering and stamping, almost 1000 bank staff illustrated their displeasure with the extended Wednesday banking hours imposed by two major banks.

The meeting was convened by the Johannesburg branch of the South African Society of Bank Officials to test employees' feelings.

"We have never seen our members in the mood they are in at the moment," the society's general secretary, Mr Ben Smith, said. Barclays Bank and Standard Bank said last month their employees would work on Wednesday afternoons.

Since then, protest meetings had been held in 10 major centres and more were expected soon, a society assistant general secretary, Mr H G Rowan, said. The society had accused the banks of taking a unilateral decision without consulting employees. It felt it was an unfair labour practice and had applied to the Minister of Manpower to appoint a conciliation board.

A resolution was passed at last night's meeting urging the society to fight for the reinstatement of Wednesday afternoons off or a five-day week. During an open debate, calls for the banks to reinstate Wednesday afternoons off were greeted with whistles and applause. Many employees complained about the arbitrary way in which the new hours had been announced and called on the banks to consult with staff.

Most staff members condemned the new working hours, but several said an alternative to Wednesday afternoons off was a five-day week.

Suggestions ranged from a call for employees to stage a walkout on Wednesday if they were forced to work, to more pay, days off or a five-day working week.

Mr David Dewes of Florida said: "We enjoy having Wednesday afternoons off. We work a six-day week and the afternoon off makes the week seem shorter."

An Alberton bank employee, Miss Sally Rudd, said Wednesday afternoons were set aside by most bank workers as a day to go to the doctor or dentist.

Miss Joanne Pepperell of Alberton said: "Other people find time to do shopping on Saturdays, but bank employees work then so they need Wednesday afternoons free."
More jobs will go — union told

The first Congress of the Insurance Assurance Workers Union of South Africa was told yesterday that of the three million people presently unemployed in the country, most of them were blacks.

The Rev Leo Seoka, Iawusa's president, was speaking at St Hilda's Anglican Church in Soweto.

He said many people were concerned why the unemployment figures swell so fast in spite of the trade union organisations. He put the blame on the shoulders of the industries and gave figures supplied by the Department of Manpower on unemployment from June to August last year.

He reminded the congress that the result of unemployment is poverty. He said the worst hit people are the poor and least powerful in the labour force and in the black community.

"The painful thing about unemployment is that those affected are ashamed as if it is their fault. It is therefore the duty of trade unions to absorb these people's feelings and respond to them," he said.

Mr Seoka also echoed concern at the new technology that is fast being introduced in the insurance and finance indus
Barclays to meet Sasbo on longer working hours

By PHILLIP VAN NIEKERK

BARCLAYS Bank has agreed to meet the South African Society of Bank Officials (Sasbo) tomorrow in a bid to resolve the dispute caused by the bank’s extension of working hours on Wednesdays.

And Sasbo has also declared a dispute with the Standard Bank, which is to open until 3.30 pm for the first time this afternoon, and has applied for a statutory conciliation board to hear the dispute.

Mr Tom Chalmers, assistant general secretary of Sasbo, said the importance of tomorrow’s meeting was that it was the first time Barclays had been prepared to negotiate on the issue with the union.

“We have never said we don’t want to talk about the issue. In fact, our demand all along has been that Barclays talks to us before removing what has for years been a benefit.”

Mr Chalmers said productivity in the banking industry was high and that it seemed as if management was using the recession to bludgeon staff.

He said Barclays had acknowledged for the first time that it did not consult the union before extending working hours on Wednesdays.

A spokesman for the bank said Barclays was happy to discuss “problems the staff have experienced”, but that it was not open to negotiation on the issue of extended working hours on Wednesdays.

He said Barclays had informed Sasbo officials of the decision — which was simply to provide a better service for customers — before it was taken.

Even with the extended working hours, the bank was still within the hours of work agreement with the union.

“We were all a little surprised by the reaction of Sasbo’s members. We will be meeting on Thursday to allow them to let us know what they’re unhappy about. Let’s address the issues and see if we can keep people happy.”
Banking on their afternoon off

Staff Reporter

BANKS may have to close on Wednesday afternoons temporarily if the South African Society of Bank Officials (Sasbo) succeeds in an application to the Industrial Court for a status quo order.

At a meeting in Cape Town last night the general secretary of Sasbo, Mr Ben Smith, said they had been told of the decision to extend working hours two days before it was announced to the staff and that they had been sworn to secrecy.

Application for a status quo order had been made to the Industrial Court and if granted bank doors would again be closed on Wednesday afternoons for a three-month negotiation period.

An appeal to appoint a Government conciliation board had been made to the Minister of Manpower. But should legal action fail Sasbo would resort to arbitration or a strike, Mr Smith said.
Extended working hours 'the final straw'

The introduction of extended working hours on Wednesdays was the final straw, a bank employee union official said today.

The assistant general-secretary of the 30,000-member South African Society of Banker Officials (SASBO), Mr Harry Rowen, said Barclays and Standard banks had finally agreed to meet with the union tomorrow at 8.30 am.

The meeting would not change SASBO's case in any way, he said.

The banks had undermined the union by not consulting it before deciding to stay open on Wednesday afternoons.

COURTS

"If tomorrow's meeting does not end amicably, we will resort to the courts for relief," Mr Rowen said.

This would include an application to the industrial court for an order requiring Barclays and Standard banks to return to the old working hours and an application to the Minister of Manpower for the appointment of a conciliation board.

If all procedures failed, the possibility of a strike could not be ruled out, Mr Rowen said.

Over the past two weeks employees had "expressed their anger and disgust with the bank", threatened to go on strike, or to simply walk out if the bank officials do not back down, he added. – Staff Reporter.
Bank talks get under way

Talks between officials from the South African Society of Bank Officials (Sasbo) and Barclays National Bank began in Johannesburg this morning.

No information on the topics covered or the outcome of the discussions was available. Sasbo may make a statement later today.

Sasbo has said its members are not prepared to accept the recently introduced extended bank hours imposed by two major banks.
Automation cuts staff and costs

By Amrit Manga

STANDARD Bank has been innovative in its drive to integrate human and non-human resources to improve productivity.

Having won one of the Financial Times' productivity institute's 1984 awards, the bank has committed itself to continuing productivity improvement programme.

One area in which the programme has paid off is the stabilisation of the growth of its workforce.

But the programme was not easy to implement because of the nature of the bank's business.

Resource

Denis Busse, general manager, management services at the bank, says: "Because there is no clear distinction between the product and service in banking, our approach included not only modern technology but non-human resources - everything.

Because of increased job differentiation the bank was becoming an administrative monster. The organisation and methods department was formed to counter the trend and to boost productivity.

Mr Busse says: "The O&M's task was to maximise effectiveness through the most efficient use of human and non-human resources. We have integrated these two resources, resulting in improved productivity. The result is a turnaround in trends noticed before 1980 when the rate of growth in our manpower complement exceeded rate of output.

We have seen a real decline in growth in manpower against percentage growth deposits. Although staff figures have declined, it would be incorrect to assume that automation leads to redundancies. Automation contains the rate of hiring and so allows effective employees to use.

Of greater significance is the fact that manpower growth declined between 1982 and 1984. An analysis shows that where we achieved staff economies by closing unprofitable branches, we were able to invest those resources in new business activities.

Based on reported figures that banks' staff complements increased by 6%, we must conclude that other banks have not enjoyed the same productivity improvement as we have.

Although expenditure on automation increased, we contained growth in fixed property expenditure - primarily branch premises.

The bank's achievements are not confined to commercial banking operations. In 1981 we automated the processing of vouchers for our card division. The benefits were enormous and we have cut the staff complement by 50%.

Flexible

Mr Busse says: "Besides the direct savings from our investment in automation, we have reaped the benefit of improved decision making and planning, more effective control of resources while retaining our flexible approach to serving the changing needs of customer groups.

Productivity is an important component of our profitability measurement system and features in our overall integrated management system.

We will increasingly focus our attention on quality circles, computer-based training and research into office productivity.

With regard to quality circles we believe that the involvement of the individual in decision making and improving methods of work is essential.

Neville Gerické, head of the bank's work measurement division, says: "When we undertook the productivity exercise in 1982, our card division was one of the largest administrative divisions in terms of staff numbers. Being a labour-intensive operation, it was recognised as a potential area for productivity improvement.

"We set out by identifying weak, ineffective and costly systems. We assessed work loads and implemented cost-effective productivity systems to bring about equality in work-load distribution.

"Each staff member was interviewed and asked to suggest ways in which their job could be made easier.

50% cut

"Members of the staff undertook exercises to establish standard times for work they did. We calculated the first productivity ratings for each individual post.

"Action was taken in three main areas - skills improvement, work-load reduction and research and development.

"The result was a reduction in the staff complement of almost half. The continuing effective cost savings to the credit card department are estimated at R50 000 a year.

A 93% improvement in productivity was achieved once all the improvement measures were implemented, says Mr Gerické.

Coupled with other productivity gains the overall savings amount to R700 000 a year.

Mr Gerické attributes the gains to the staff's commitment to productivity growth. "Also the labour-intensive nature of the operation allowed for immediate work-load reduction, research and development."
Banks, union settle Wednesdays' dispute

Labour Reporter -

SETTLEMENT has been reached in the dispute over bank officials' Wednesday afternoons off.

They will continue working these afternoons, but will receive time off in exchange.

The settlement was agreed to this week between the SA Society of Bank Officials and bank managements after the general secretary of Sasbo, Mr Ben Smith, visited all 19 Sasbo regional committees for discussions about proposals for an acceptable settlement worked out between the union and the banks.

Agreement was reached with Barclays Bank on Friday and with Standard Bank yesterday.

According to the agreement, banks will work a four-week cycle of 176 hours consisting of 44 units of four hours each.

Employees who work on Wednesday afternoons will be entitled to time off of one four-hour unit equivalent to a morning or afternoon which can be taken off at any time.

If a full month is worked the units can be added to make a long weekend.

Units which employees do not use may be accumulated and added to annual leave up to a maximum of six days. Officials may also be paid out if they do not use the time off.
Staff Reporter

BANK officials working for one of the country's largest banks have accepted a management offer of time off as compensation for having to work on Wednesday. The agreement, which comes into effect from April 30, gives staff affected by the extended hours four half-days off a month, according to a joint statement.
Funds for East Cape jobless scheme cut

PORT ELIZABETH — The government has cut funds to the labour-intensive job projects scheme in the Eastern Cape.

Mr Fred Polacek, a member of the co-ordinating committee in charge of the scheme, said yesterday the committee had approved projects totalling more than R6 million.

However, the government had now set a limit of R5.5 million on funds for the region.

It had been understood that R6 million would definitely be available to the committee, Mr Polacek said, and that it was likely an additional R1 million would also be allocated.

Last month the chairman of the committee, Mr Louis Koch, said the limit of R5.5 million set by the government had been exceeded, but there were indications the government would be sympathetic to an appeal for a greater allocation of funds.

Mr Polacek indicated yesterday that this had not been the case. "Our committee worked in good faith to a total of R7 million," he said.

"Since the recent visit to Port Elizabeth by President P. W. Botha there had been whispers that funds for the region would be found," Mr Polacek said.

He did not know when those funds might be forthcoming from the government. 17/09/85

As a result of the cutback in funds some projects had been reduced, but all local authorities had been told that the regional committee's approval of projects was subject to approval by the government.

Mr Polacek said that apart from this impasse there had been no other major problem with the job creation scheme.
Outlook bleak for commercial workers

JOHANNESBURG. — Few workers can expect year-end pay increases that will keep pace with inflation, according to forecasts released yesterday.

Many employers struggling for survival may be forced to announce a pay freeze, the Associated Chambers of Commerce warned.

Mr G.A V Brett, secretary of Assocom's manpower committee, said the outlook was bleak for a number of firms in the commercial sector, particularly in the distributive and retail trades.

"Workers awarded increases around 10 or 12 percent can count themselves as fortunate. The economy is no longer dependent on simple economic factors, but is influenced by political events."

A survey by P-E Corporate Services of 800 companies in the industrial and commercial sectors, found that average pay rises would fall far short of the expected inflation rate of 15 percent next year.

A spokesman said: "It will be the third or fourth year in a row that living standards will have to be cut. We estimate that no fewer than 65 percent of employees should brace themselves for increases of 10 percent at best — and often lower."

"Workers in the construction industries will be worst hit. The most favoured will be employees in the financial institutions." — Sapa
By Aparn Manga

TWO banks will increase salaries by up to 12% — substantially higher than the pay rise coming the way of most white-collar workers and the projected national average of between 8% and 10%.

The increase will add about R16-milion to Standard Bank’s wage bill and cost Barclays more than R52-million.

Reasonable

The two banks employ more than 50% of the white-collar work force in the banking sector.

The SA Society of Banking Officials (Sasbo) says the banks were persuaded to add millions more to their initial offer. It describes the negotiations as most difficult.

The merit increments range between 3% and 6%. Some staff will receive another 2% to 3% in promotion increases, bringing their average close to 15%.

Though falling short of what Sasbo considered fair, the increases are seen as reasonable.

Marginally higher increases were granted to staff on higher managerial categories to compensate for erosion of income through taxation of perks.

Highest

Junior staff increases are almost 2% below those of managerial staff as a result. The decision to widen the salary gap between junior and senior rates was taken after it was argued that smaller differences tended to lower the incentive to gain promotion.

This year’s adjustments mean banking officials will receive higher increments than most other white-collar workers. The average basic salary in the banking, building, society and insurance sectors is the highest among eight listed by Central Statistical Services.

Its figures show average monthly salaries for the elite sector in June this year were R1 256. The next highest was R952 paid in the transport, post and telecommunications sector.

Sasbo says more adjustments will have to be made to compensate for the erosion of its members’ standard of living if the banks are to avoid losing large numbers of trained officials to other sectors.

By Kerry Clarke
Bank workers' salaries up 12 percent

Labour Reporter

BANK officials will receive substantially higher salary increases than most other white-collar workers.

Negotiations between the South African Society of Bank Officials (Sasbo) and Standard and Barclays have secured an average 12 percent increase for officials.

The two banks have about 50,000 employees and the increments were a substantial increase on banks' starting offer.

Mr. Tommey Chalmers, assistant general secretary of Sasbo, said the 12 percent was based on nine percent overall and three percent on productivity.

"GOOD-DEAL"

"The settlement is a good deal for bank officials, relative to the rest of South Africa where increases have generally left workers very badly off," he said.

Sasbo had achieved a breakthrough for executives with Barclays.

The 13th cheque for all employees had been increased from 6.53 percent of the annual salary to nine percent and for Barclays executives this had been made part of their pensionable package.
FINANCE - LABOUR
1986 — 1989
Give Economy a Boost
Go 9c Price Soars To
Two more give June 16 holiday

Another two major employers have agreed to grant workers a paid holiday on June 16.
The Food, Beverage Workers' Union, an affiliate of the Council of Union of SA, said the Coca-Cola bottling Company in Johannesburg and Roodeburg and Davis Gelatine Industries (Pty) Ltd in Krugersdorp had recognised June 16.

Uncertainty plagues AA Mutual employees

What of our futures?
This question plagues AA Mutual staff, who yesterday expressed fear and uncertainty over their jobs.
Some workers have been with AA Mutual for more than 20 years. Most are the breadwinners in the family and have children to support, while others supplement their spouses' income.
According to a staff representative, they were advised by management to start looking around for other jobs and not to take the risk of waiting to see what would happen.
"Many of us are looking, but it's very difficult to get a job nowadays and in many instances it means a drop in salary," one employee said.
Staff have been informed they will definitely be paid until the end of June, but what becomes of them thereafter awaits the decision of the court.
DURBAN — Liquidators dismissed most of the staff of the collapsed short-term insurance giant, AA Mutual, without notice this week.

As many as 100 employees in Natal were notified on Monday that their services were no longer required with immediate effect, said the Durban manager, Mr Elwin Tovey.

They were not paid in lieu of notice. It is believed the Insolvency Act allows liquidators to terminate employees' services instantly.

Other staff have been given six-month contracts and have been kept on to administer the company's winding up.

Liquidators were not at the AA Mutual's Johannesburg head office yesterday and could not be reached for comment.
Liquidators face staff problem

Dispatch Correspondent

JOHANNESBURG

Liquidators of the A&A Mutual's 'short-term' business will inform staff at 13 regional branches of their fate this week.

One of the joint liquidators, Mr. Trevor Franklin, said the team was trying to come to terms with the massive staffing problem.

This follows complaints by staff members at some branches that they were dismissed without notice, while only about eight percent of the original 2,000 staff complement were told they would be kept on to assist with the winding up of the insurance business.

Mr. Franklin said: "It was clearly in the general interest that we were able to retain a certain number of key people. But everyone had the option of leaving at the end of July. That was the agreement with all employees - we wanted them to have a fair deal - although we offered inducements to key people to stay.

Regarding those who say they have been asked to 'clear' their desks with immediate effect, I cannot comment until we have looked into this. It has reportedly happened in Natal.

'Notice has not yet been given of the formal in which creditors' claims are to be made, because claims may be lodged within 12 months and it is too early to be specific about a final situation. We cannot foresee,' he said.
AA Mutual staff will soon know their fate

LIQUIDATORS of the AA Mutual's short-term business will inform staff at regional branches of their fate this week.

One of the joint liquidators, Trevor Franklin, said the five-man team was still trying to come to terms with the massive staffing problem.

Staff-members at some branches had complained that they were dismissed without notice, while only about 3% of the original 2 000 staff complement were told they would be kept on to assist with the winding up of the insurance business.

Franklin said: "It was clearly in the general interest that we were able to retain a certain number of key people. But everyone had the option of leaving at the end of July. That was the agreement with all employees, although we offered certain inducements to key people to stay on longer. We offered six-month contracts.

"Our problem has been that many decided to leave before due time — including a number of those we wanted to stay on.

"Regarding those who say they have been asked to clear their desks with immediate effect, I cannot comment until we have looked into this."

Policyholders who have claims have been advised to read the court liquidation order which will be published in various newspapers throughout the country.

Queries should be addressed to the liquidators at the AA Mutual Head Office in Johannesburg or to offices in eight major centres.
Bank workers want security vehicles to transport cash

Labour Report

BANK officials want to move to and from agencies and other outlets in security vehicles only.

This follows approval of a resolution at the recent annual conference of the South African Society of Bank Officials (Sasbo).

Delegates were told of an incident when a teller had to transport agency cash in the boot of his car down a street littered with burning tyres.

Topping the list of issues debated by delegates was salaries but it was decided to delay approaching the management about "substantial" increases until after the annual meetings of Sasbo branches.

The conference also instructed the general council to continue negotiations on the "units off" issue which arose from the banks' scrapping early closing on Wednesdays.

The resolution called for the introduction of a five-day week.

Other resolutions passed for negotiation with the banks included:

* Obtaining housing loans for women who are breadwinners or who qualify on salary or service criteria; and
* The removal of sex discrimination from all aspects of benefits available to staff.
Two women employees sent to jail

By CHRIS RENNIE

Two women who worked for the same firm and both stole thousands of rands from their employer, were given jail sentences by the Port Elizabeth Regional Court today.

Mrs Shaheeda Joel, 25, of Ocean View Drive, Malabar, pleaded guilty to stealing R3 300 belonging to the Permanent Building Society between January 1985 and February, this year.

The money was stolen from the office of her employer, Mr Gavin Lee Jones, an agent for the building society.

In spite of the fact that this was her first offence and that she had a five-month old baby, the magistrate, Mr J B Robinson, said that he was obliged to send her to prison.

This had been a planned, premeditated offence over a long period of time from a position of trust.

He said the number of similar offences being perpetrated by women in Port Elizabeth had reached alarming proportions.

He imposed a sentence of 30 months, of which 18 months was suspended conditionally for three years.

The next case before the court was that of Mrs Stephanie Edith Gerard, 24, of Kemp Street, Parkside, who admitted stealing R2 500 belonging to the Perm from Mr Jones's office during the same period.

Mrs Gerard was pregnant and also a first offender.

She pleaded guilty and conceded it was a systematic theft over a long period.

She could not explain why she took the money - except to say she would take R200 or R300 when she was "short".

Her husband had a good job.

The magistrate said that although Mrs Gerard had stolen a slightly lesser amount, the court felt obliged to pass the same sentence.
Motor giant to lay off workers

Finance Reporter

TOYOTA SA was to retrench between 250 and 275 workers at its Prospecton-based assembly plant on Friday, group managing director, Mr Colin Adcock, said in Durban last night.

Mr Adcock, speaking after the official opening of Dan Perkins (Natal), said the company had decided to retrench after the workers, obviously tired of being on short-time, had made it clear they wanted to revert to full-time employment.

Workers at the factory were put on short-time earlier this year.

Mr Adcock said the only way to stop short-time was through retrenchments, and the workers had been told of the consequences of this in their pay-packets.

He said while the retrenchments were against his personal philosophy, as well as that of the Zulu, Toyota SA believed the company should support the majority view of the workforce and eliminate short-time.

Earlier this month about 3 600 hourly-paid workers at the plant went on a three-day strike in a demand for higher wages and in protest against short-time.

Now sales

They ended their stay-away after management gave them an ultimatum to return to work or face dismissal.

Mr Adcock said the retrenchments would obviously cause a ripple effect, and he expected others to also lose their jobs, but the full effects would take some time to become evident.

Turning to new sales, he said that as a result of the company not being optimistic enough in ordering imported CKD kits of the new Toyota Cressida, there was a waiting list for the popular medium-size car, but the demand was not enough to affect the present situation.

In his earlier official opening address, Mr Adcock urged the country's workers, people, politicians and their opponents to pull together in an act of faith in solving the country's problems.

He said positive support for the Government was essential for the country to come alive again.
NEW CARE

30T.C. ECONOMIC

Expansion is needed in the domestic economy to make a three percent increase in the gross domestic product. This will require an expansion in the productive capacity of the economy, which in turn will require increased investments in the productive capacity of the economy.

The expansion of the productive capacity of the economy is needed to create jobs and stimulate economic growth. This can be achieved through increased investments in infrastructure, education, and health care. These investments will not only create jobs but also increase the productive capacity of the economy.

Decisions

50T.C. ECONOMIC

1. The government should increase its investment in infrastructure, education, and health care. This will create jobs and stimulate economic growth.
2. The government should reduce its budget deficit by increasing taxes and reducing government spending.
3. The government should increase its investments in research and development to promote innovation and economic growth.

CTP TO BE...
Key to Equal Opportunity

PART 2

Building for Tomorrow

Boards have the power to change the world. The question is how, and what is the world they want to change to? If the world is to become a more equal and just place, then it is up to those in power to make changes that reflect this vision. Equal opportunity refers to the idea that everyone should have an equal chance to succeed, regardless of their background or circumstances. It is about removing barriers that prevent people from achieving their full potential.

Boards and their role in promoting equal opportunity

Boards can play a crucial role in promoting equal opportunity by setting policies and procedures that reflect this principle. This includes ensuring that all employees have access to training and development opportunities, that discrimination and harassment are not tolerated, and that the board itself is diverse and inclusive. By promoting equal opportunity, boards can help create a more just and equitable society.

The challenges and benefits of promoting equal opportunity

Promoting equal opportunity is not without its challenges. It requires a commitment from all members of the organization, and it can be costly in terms of time and resources. However, the benefits are significant, including increased innovation and creativity, improved employee engagement and retention, and a stronger reputation in the community.

Conclusion

In conclusion, promoting equal opportunity is a key aspect of building a better world. It requires a commitment from all members of the organization, but the benefits are significant. By creating a more just and equitable society, we can create a better tomorrow for all.
Prudential blacklisting ‘wrongful’

Supreme Court Reporter
THE Prudential Assurance Company has been rapped on the knuckles by the Supreme Court and saddled with a legal bill estimated to be in the region of R75 000 after "unreasonably" blacklisting a former employee.

The man who approached the court for help was 35-year-old former life insurance salesman Mr Peter Hawker of Harfield Village. He fought the case on legal aid.

The facts of the case are set out in a 30-page judgment handed down by Mr Justice C T Hawie last week after he reserved judgment in March last year.

In layman's terms, Mr Hawker's troubles began when he falsified a letter from a client. The court found his motive was to "conceal an instance of his own inefficiency" from his superior and to speed up the return of the client's premiums. He was not covering up any unlawful conduct.

He then resigned but his boss at the Prudential, Mr Christopher M Bean, submitted a report to his superiors recommending that Mr Hawker should be given "an S reference" — an effective 20-year blacklisting although the person blacklisted may apply for a review after five years.

Mr Justice Hawie found that had Mr Hawker not resigned, the Prudential would have been entitled to fire him for falsifying the letter. They would also have been entitled to give an adverse report to prospective new employers.

However, the judge ruled that blacklisting Mr Hawker for 20 years from his chosen calling in which he was trained and skilled was so out of proportion with his "offence" that it was unreasonable and "delicately speaking, wrongful".

Noting that the Prudential executives involved in the "far-reaching" blacklisting decision "simply accepted" the reasons given by Mr Hawker's boss without "any further investigation or inquiry", Mr Justice Hawie observed that it was "difficult enough for a court of law to decide factual conflicts purely on a study of documentation".

It was all the more difficult for company officials "untrained as triers of facts" to do so and the courts themselves referred many such cases for hearing of oral evidence.

Mr P Hodes SC, with Mr D Lenghoff and instructed by Bester Cooper Groen and Wolfardt, appeared for Mr Hawker. Mr M Sellkovitz SC, with Mr R P Hoffman and instructed by Neil and Jacobson, appeared for the Life Offices' Association of South Africa. Mr M Odes SC, with Mr W R E Damin and instructed by Schneider Gallon Reef and Co, appeared for the Prudential.
Building societies' staff score

Labour Reporter

BUILDING society employees have won interim salary increases of about 13.5 percent pending a final settlement at the industrial council.

Mr C van Vuuren, general secretary of the Building Society Officials' Association — which represents about 16,500 members — said the next round of negotiations would take place later this month.

"The findings of a survey of members' salaries will be put before the council," he said.

Meanwhile the association has welcomed the interim increases because salary negotiations may be lengthy and it would like to see money in its members' pockets immediately.

The association also wants the Minister of Manpower to approve amendments to its constitution allowing it to recruit members in financial institutions other than building societies.

An article in the association's journal, BSOA News, said this was to keep abreast of rapid changes in the building society movement.

"Now that the societies are forming relationships with banks and insurance companies it is important that we be allowed to represent those new colleagues," said the article.
JOHANNESBURG. — About 96 employees of the Mutual and Federal Insurance Company Ltd. yesterday stayed away from work in protest against the company's refusal to give full recognition to the Insurance and Assurance Workers' Union of South Africa (IAWUSA).

Their spokesman, Mr. John Rakoane, said the company, which employs nearly 179 blacks, had offered sectional agreements which were not acceptable.

The Mutual had black workers in different sections which meant more than one recognition agreement, Mr. Rakoane said. He also said the Mutual's personnel manager, Mr. P. Horovicky, confirmed that some employees had not been to work since midday Wednesday.
According to CSS some 87,500 people were employed at end-June by banking institutions (including 65,300 whites and 11,300 blacks); 20,900 by building societies (15,800 and 3,000); and 51,100 by insurance companies (34,800 and 7,400).

In contrast to the public sector, banks and building societies employ slightly (less than 1%) fewer people than last June. Only 1.6% more are on insurers' payrolls, though finance and services are one of the few growth sectors.

In the year to June the quarterly wage bill (including bonuses) also rose less than the public sector’s — 16% for banks to R424m; 22% for building societies to R94m; and 25% for insurers to R293m.

Average salaries for all race groups are highest at insurance companies, whites earning an average R2,313 and blacks R1,053 a month.

Banks pay whites an average R1,845 and blacks R612 a month while societies pay R1,504 and R711. Average earnings in the public sector are R1,902 and R633 a month, respectively.

At the end of June there were 195 vacancies at banks (against 289 at end-March); 5 at building societies (0); and 191 at insurance companies (213).
Bank, building society workers may unite
Building societies settle pay wrangle

Labour Reporter

A YEAR-LONG wrangle between building society employers and their employees' union has ended with employers agreeing, for the first time in 40 years, to start negotiations.

The Building Society Officers' Association (BSOA), which represents about 10,000 officials, officially declared a dispute in July when employers opposed the association's request to negotiate salaries at the industrial council.

The dispute was the first in 40 years of negotiation between employers and employees.

Previously, salary levels were set unilaterally by employers.

In 1986, members mandated the BSOA to negotiate salaries.

Notice of this was given at the November 1986 industrial council meeting and a special meeting was called for January 1987 to debate the issue.

The BSOA proposed that employers get separate cost-of-living and merit increases, but employers claimed that officials preferred a single annual increase.

After a series of industrial council meetings had failed to resolve the issue, the BSOA declared a dispute and proposed taking it to the Industrial Court.

This was blocked at the council by employers but the Department of Manpower, approching for its views, said that if the association's proposal was satisfied the dispute involved an unfair labour practice and would be within its rights to approach the court.

A set of compromise proposals, tabled at the December industrial council meeting, cleared the way for settling the dispute and for salary negotiations to open.
Banks, societies set to form new union

JOHANNESBURG

The financial services industry is in a state of flux, and employees have to swim with the tide.

Traditional differences between bankers and building society employees are becoming a phenomenon of the past, when building societies as a cartel decided together on the bond rate, they did not own banks and the major banks posed no threat in the home loans market.

But the bond war has focused attention on the rapidly fading distinction between banks and building societies.

Moves are afoot for a merger between the two unions, the SA Society of Banking Officials (Sasbo) and the Building Societies Officials Association. The Institute of Bankers, formerly catering exclusively for bankers, is set to allow building society employees to become part of a special category of members.

The Sasbo general secretary, Mr Ben Smith, said the two unions were drawing up a constitution which would be acceptable to both parties. The draft constitution would be put to Sasbo's conference in May, and if accepted, the two unions will merge to form a powerful union with 50,000 members.

"We see no reason why there should be more than one union in the financial services industry," Mr Smith says. He envisages that insurance employees should eventually join the banks and building society union.

The planned new union aims to follow the British example, running a combined union for different sections of the financial services industry, says the Building Societies Officials Association's (BSOA) Mr Angus McCallum-Brown.

He, too, envisages one strong union in the financial services sector, including insurance employees. But it has not yet been decided if the new union will have different sections for each sector, as is the case in Britain.

"Most of the building societies have gone public and now own banks. In future it will be hard to decide whether their employees are bankers or building society employees," Mr McCallum-Brown said.

In a separate development, the Institute of Bankers is changing its membership criteria, saying the blurring of traditional boundaries between financial institutions has made change necessary.

The institute reports a positive response to its proposals to liberalise membership criteria and throw open doors for the first time to non-bankers who want to obtain professional banking diplomas.

In a recent editorial, the institute's journal SA Banker said: "The basic question we should ask ourselves is this: do we widen the criteria of the institute's membership and accept others like building societies, shippers, corporate bodies and those who engage in banking business? Or do we feel so exclusive that we want to continue barring these groups from our ranks?" — DBC
Ilpa lifts standards

By Robyn Chalmers

STRINGENT examinations set for people entering the life assurance industry have made a "dramatic contribution to raising the quality of service to the public," says Paul Clipsham, new president of the Institute of Life and Pension Advisors (Ilpa).

Only 25% of the people who write the Ilpa examinations qualify as fellows of the institute, says Mr Clipsham, and less than 4% of the industry's brokers and agents have been admitted.

"Because of the ever-changing tax laws, and confusion surrounding the changes announced in the Budget, people need professional advice on all forms of financial planning. "A fellow of the institute (a Filpa) has been tested on matters such as investments, personal financial management, income tax, all aspects of pension funds including fund constitution and management, and fund financing and investment."

Mr Clipsham, who succeeds Tony Granger, sees Ilpa as an educational body which must continue to raise standards.

"For the first time in the history of Ilpa, we will hold a conference on our role in education and the impact we have on the industry," he says.

Ilpa was officially constituted in October 1991 by financial planners for the life assurance and pension industry, and anyone with Ilpa after his name indicates a qualified specialist in all aspects of personal finance.

It takes a candidate, two years' part-time study before sitting for the examination. It consists of four open-book examinations of four hours each, concentrating on case study work.
Payment breakthrough

THE Building Society Officials Association, using its new power to negotiate salaries with individual societies, has made a good start.

A productivity-linked salary agreement with Allied building society is hailed by both parties as a breakthrough for building society employees.

The agreement, which affects about 2,000 Allied staff, is based on merit increases.

Traditionally, a flat minimum increase has been awarded to all staff. It has been replaced by an average 15.5% rise — but on a distribution curve from nil to 20%.

"Besides being the first salary agreement in the union's 40-year history it is also one of largest awards ever agreed by the Allied," says the association's general secretary designate, A J J McCallum-Brown.

"Productivity and individual performance play a major role, providing a good increase for a high performer and a lower increment for lower performers."

"This method will be good for our members, the industry and the country."

Allied Group managing director Kevin de Villiers says a handful of Allied staff will receive no increment. "But they will receive special guidance and training and will have their performance reappraised during the year."

Packages for management grades, which are not covered by the agreement, will be adjusted in line with the new deal.

Mr McCallum-Brown says negotiations with Allied were fairly tough.

"But because they were based on established industrial relations procedures and were approached by both parties in a professional manner, we were able to reach a settlement which is realistic and fair, particularly in the current economic climate."
Insurance employees in multi-million fraud

By Robyn Chalmers

FRAUD by insurance company employees borders on organised crime, according to an article by Nicholas Mander, who was killed in a recent car accident.

The article appears in the March edition of African Insurance and Finance Record.

Mr Mander wrote that in-house insurance crime was the greatest contributory factor to high loss ratios.

In 1986 I investigated in-house generated claims totalling R15-million; in my view representing 20% of the estimated total value of organised insurance crime.

In the majority of cases this crime is perpetrated by individuals or syndicates from within insurance companies and brokers.

Commercial Union short-term general manager John Kilvington says fidelity guarantee losses — employee fraud — have increased in the past three or four years.

As economic pressures get greater there is a general upward trend in employee fraud, whether it is in the insurance industry or any other.

"A downturn in the economy results in an upturn in crime."

Most of the fraud discovered is committed by junior employees, such as claims clerks who are often in cahoots with outsiders, says Mr Mander.

He says research shows that the overall situation in SA is similar in proportion to that in America, Britain and Australia.

The short-term insurance industry must either find ways to co-operate more closely or do what the Americans did and form an insurance crime prevention institute."

Claimants also pad their claims, but in most cases because of a real or perceived grievance.

"There is an elite group of professional insurance claimants, but they make up a minute part of the overall picture," says Mr Mander.

Aegis general manager Brian Search has a different view on inflated claims.

"Consumers see insurance as a grudge purchase, and treat it as a form of tax. Probably 70% of all claims involve some form of cheating," he says.

Inflation

Crime, coupled with inflation, causes increased premiums, he says. Consumers feel cheated through what they see as an overreaction and in turn cheat the insurers.

"It is a vicious circle because insurers send their assessors, and the public see their role as adjusting all claims downwards," says Mr Search.

Mutual & Federal managing director Ken Suggers says insurers are taking a harder line on fraudulent claims.

"The temptation to inflate claims has grown because of poor economic conditions. Where insurers used to reject false claims and cancel the policy, they now take legal action against the guilty party."
Banking workers unite

BANK employees will soon be represented by one union with more than 60,000 members after a merger of the SA Society of Bank Officials (Sabo) and the Building Society Officials Association (BSOA).

A joint constitution has been drawn up and needs only the approval of the Department of Manpower before the merger becomes official.

Sabo general secretary Ben Smith says both unions believe there is strength in unity.

"Our predecessors made the mistake of denying Nedbank employees access to Sabo in the 1920s. This pushed them in the direction of a staff association – a route which other banks have encouraged their employees to take ever since."

The decision to merge was taken at the annual Sabo branch conference last month. It was also decided that the union would be controlled by a national council consisting of members from all the main centres.

It will replace the Witwatersrand-based General Council which served as the union’s directorate for the past 71 years.

Finality about the national council is expected in about nine months. The general council will remain in being until the conclusion of wage negotiations at the end of this year.

It was also resolved at the conference that bank and building society employees will receive a single performance-related salary increase this year.

In the past, employees received two increases a year – one for merit, the other a cost-of-living adjustment.
UNION HOLDS TALKS

THE Banking Insurance Finance and Allied Workers' Union is to hold a meeting of Nedbank employees in Johannesburg tomorrow.

A spokesman for Bifawu said the meeting would focus on a number of issues affecting the bank's employees, including their rights and fringe benefits.

The meeting, which will be held between 2pm and 3.30pm, will take place at Bifawu's offices at 24 Ferreira Street, Ferreira House, 5th Floor.

- The Black Electricals and Electrical Workers' Union is to hold a two-day seminar in Soweto next week.

The seminar will discuss — among other issues — developments in the metal industry and the controversial Labour Relations' Amendment Act.

The seminar will take place at the DOCC Hall, Orlando East between September 3 and 4.
JSE clerks walk out over insulting remark

The five black clerks, who record share-price changes on the JSE board, walked off the job yesterday afternoon when a dealer swore at one of them during a period of fairly busy trading on the market.

The incident occurred after one of the clerks recorded a wrong share price.

In the heat of the moment, a dealer made what was regarded as an insulting remark and all five clerks downed their chalk and stormed off the platform.

The walk-off lasted only about 15 minutes as a senior JSE official hurried down to the floor of the market to smooth frayed tempers. The clerks demanded an apology from the dealer of stockbrokers Kaplan and Stewart.

The dealer later apologised to the clerk. The apology was accepted and the two men shook hands.

The interruption did not last long enough to affect trading.

Kaplan and Stewart senior partner Bernard Montgomery said: "It all happened on the spur of the moment at a time when the market was fairly busy.

"No racial insult was intended but in the heat of the exchange the matter was blown up out of all proportion.

"The dealer has apologised and the matter has been amicably settled."
The Executive with nowhere to go
Forex workshop for bank personnel

Mandy Jean Woods

The Reserve Bank has initiated a practical foreign exchange workshop for bank employees, the first of which takes place today with Trust Bank, after the exposure last year of forex fraud cases totalling millions of rands.

The workshop will host 78 Trust Bank employees and 10 bank officials, under the direction of the bank's forex department GM John Postmus.

Trust Bank MD Chris van Wyk said he had taken a personal interest in preventing forex frauds — such as the R100m African Bank case and the Reem Simpo Samuels case — from happening again.

He said: "We have had a number of discussions with the Bank since October last year about the kinds of internal controls we could take to prevent forex fraud. At one of these meetings, Postmus suggested we hold a workshop which we decided to hold as soon as possible."

Van Wyk said another workshop with participation by all banks registered to deal in foreign exchange was planned.

Among the items to be discussed were: documentation requirements for forex; the financial rand mechanism; local borrowings of foreign companies; trusts; company forex requests; and the issue of exchange control in general with regard to immigration and emigration.
African Bank CE dismissed

JOHANNESBURG. — The CE of SA’s only black-owned bank has been sacked after senior staff members accused him of incompetence and demanded his dismissal.

African Bank said yesterday that it had terminated the services of MD Gaby Magomola with effect from last Friday.

"After numerous consultations and in the interests of the bank, it was decided to dispense with Magomola’s services," bank chairman Sam Motsuenyane said.

Jan Theron, a GM at the bank, was named to succeed Magomola as CE.

Magomola’s departure came after a week of public controversy during which senior staff members at the bank threatened to stage a revolt if he was not removed.

"Senior managers submitted a petition to the bank’s board saying they could no longer tolerate Magomola’s erratic behaviour and levelled several accusations of incompetence against him."

"There was a bit of controversy surrounding him, but I don’t want to dwell too much on it," said Motsuenyane.

Magomola, a US-trained banker, was brought in as CE in 1987 to help African Bank recover from a damaging scandal in which three white former executives were convicted of fraud and contravening South Africa’s tough foreign exchange controls.

Magomola, a natty dresser who lives in a lush white suburb of Johannesburg and who is well-known in the city’s more trendy jazz clubs, is the son of a migrant mine worker.

He rose to prominence in local banking circles after winning a scholarship to the US and training there with Citicorp.

Before joining African Bank, he was a personal assistant to Chris Ball, MD of First National Bank of Southern Africa, who himself resigned in January to take up a post with a bank in Europe. — Sapa
Magomola to consult lawyers over firing

I thought I had been active in the bank's transformation and realignment, and that I was doing a good job. However, the bank's board of directors has made a decision to terminate my contract, effective immediately.

The bank has informed me that my services are no longer required, and that I will be provided with immediate effect. I have been with the bank since 2010, and I have made significant contributions to the bank during my tenure.

I am surprised and disappointed with the decision, as I believed I was doing a good job. I have also been informed of the bank's intention to realign its management structure.

I would like to thank all my colleagues and customers for their support and cooperation during my time at the bank. I wish the bank well in its future endeavors.

Garry Magomola
Magomola: more bank strife disclosed

He said there had been a breakdown in discipline, resulting in disorderly conduct. Job insecurity associated with rationalisation, protection of vested interests and pure jealousy had led to the "document of concern".

He said after the findings of three studies were disclosed suggestions of rationalisation were made.

These included no future branch expansion until the bank returned to profitability, the closing down of unprofitable branches, the reduction of the head office head count, sub-rental of excess space to bank office and the indefinite closure of "less making" branches.
ACCORD IS SIGNED

BY LEN MASEKO

Mr. Dimitriadis said he had decided to fire all the 102 workers participating in the stoppage. He said he had been prepared to negotiate a recognition agreement with the union.

TGWU official Mr. Steven Motingo said the employees were forced to abandon their sit-in strike inside the company's premises after management successfully sought a Supreme Court interdict evicting them.

More than 100 members of the Commercial, Catering, and Allied Workers Union of South Africa (Cawusa) have embarked on a work stoppage at five of Marble Hall Wholesale's outlets in the Transvaal, a spokesman for the union said yesterday.
Southern Life loses Davies to Norwich Life

STUART Levy

SOUTHERN Life employee benefits GM Charles Davies is the sixth executive to be hired from the life assurance organisation in the past year.

Davies' resignation last week follows the departure of Southern Life equity investment deputy manager John Scott and former investment marketing assistant GM Boetie Toeten last week.

Davies has been appointed CE of Norwich Life, the company he left five years ago as assistant GM.

His position at Southern Life will be split in two: deputy GM's Jeff Spinkes and Roy Lennox have been appointed administration and financial GM and marketing and actuarial GM respectively.

Scott and Toeten will join Co- bank's portfolio management division in April.

One of Southern's top five executives, Bill Haslam, left the company in January to head Time Life Assurance. His position was filled by Adrian Amott.

Ex-deputy CE Morris Bernstein also left Southern Life to take up a key position elsewhere. He is now based in London as MLC Life CE.

Entrepreneurs

The departures began last year when chairman Zach de Beer left to become FPP leader.

Davies said yesterday that he was leaving Southern to take up a 'once in a lifetime opportunity'.

'Far from showing shaky ground, the departures of Southern executives reflects the excellent young entrepreneurs who make up the strong management team,' he said.

Southern Life CE Neil Chapman was unavailable for comment, but weekend reports said he was unperturbed by the resignations of key executives in the past months.

He said Southern serves as a breeding ground of personnel for the industry.

Southern's personnel turnover figure is about 10%, compared with the 30% average for the whole life insurance industry.
FIVE senior employees of the embattled Afribank have quit.

Executives Mr. Christopher Molefe, Mr. Sam Maseko and Mr. Loni Mainatela and two secretaries of the former boss of the bank, Mr. Gaby Magomola, have handed in their resignations. By JOSHUA RABOROKO

The bank's chief senior manager, Mr. J. C. Theron, yesterday confirmed the resignations and said that he could not divulge reasons for their decisions.

"It is normally the bank's policy not to give reasons to the public about the resignations of staff because this is confidential," Mr. Theron said.

It is believed they were disenchanted with the handling of the sacked chief executive, Mr. Magomola and employee, Mr. Joe Motibane, who left the bank last month.

But Mr. Theron has declined to comment on the possible linkages of the resignations to the dismissal of Mr. Magomola and Mr. Motibane.

Mr. Theron said Mr. Magomola's demand for reinstatement was a matter in the hands of the bank's board.
AFRIGAN Bank (Afbank) has had large withdrawals and lost some staff members following the storm of bad publicity after its CEO, Jack Magomola, was fired and its solvency questioned.

Sources said over R20m had been withdrawn from the bank, but acting CEO Jack Theron believed the amount was less.

He said some withdrawals were due to the bad publicity, while others related to cash flow requirements of clients.

It was normal for short-term investors to take their money out after a short period, Theron said.

The withdrawals were corporate deposits.

Retail deposits had experienced a small growth, indicating that people still had confidence in the bank, he said.

About 50% of deposits lost were now coming back but could leave again in the normal in-and-out flow of funds, he added.

Afbank loses staff after storm

Theron confirmed there had been recent resignations from the bank, but would not disclose reasons as, he said, they were confidential.

One manager, two senior clerks and Magomola's former secretary had resigned.

Plan

Sources said Afbank had sold its industrial leasing book to Trust Bank, but Theron said he could not disclose any dealings with Trust Bank because of his client relationship with them.

He said, however, that industrial leasing was a small book.

The bank was formulating a plan with outside consultants to improve its public image and cost-cutting plans formulated before Magomola was fired were going ahead, he said.

Theron said the Vosloorus branch had been rationalised and was now running profitably.

One head office block had been vacated and might be sub-let. Staff had moved to the second building to create synergy and increase productivity, he said.

The bank's personnel would be reduced, but there would be no retrenchments.
5 senior staff resign from African Bank

The Argus Correspondent

JOHANNESBURG. — Five senior employees of the embattled African Bank have resigned at a time when more than R20-million is believed to have been withdrawn from the bank since former chief executive Mr Gaby Magomola was fired last month.

Acting Afban executive Mr Jack Theron confirmed the resignations, but said he believed the total amount of withdrawals made was less than R20-million. He conceded that while some of these were related to cash flow requirements of their clients, some were due to the bad publicity sparked off by Mr Magomola's dismissal.

Mr Theron said it was normal for short-term investors to withdraw their money after a short period, and pointed out the withdrawals were all corporate deposits.

The bank had experienced a small growth in retail deposits, and this proved that the public still had confidence in Afban, according to Mr Theron.

The five employees who have handed in their resignations are executives Mr Christopher Moolefe, Mr Sam Maseko and Mr Loni Mamathela as well as Mr Magomola's two former secretaries.

Mr Theron declined to give reasons for the latest spate of resignations, because it was "normally the bank's policy not to give reasons to the public for the resignations of staff since this is confidential information."

He revealed, however, that Afban had commissioned outside consultants to formulate a plan to improve the bank's public image, and that the bank was going ahead with cost-cutting plans formulated before Mr Magomola was fired.

Mr Magomola, who has demanded to be reinstated, could not be reached for comment.
Old Mutual stresses the protection of assets

THE fundamental objective of any employee benefit fund is to ensure, on an ongoing basis, that sufficient assets are available to provide the benefits to which members are entitled, says Old Mutual Group investments manager Adrian Ryder.

"The employer party to a defined benefit (DB) fund wishes to achieve this objective at minimum cost and at an acceptable level of risk."

"Similarly, the members of the defined contributions (DC) fund wish to maximise investment returns and, hence, benefits, within an acceptable risk profile."

"It is generally accepted that the greater the risk, the greater the long-term investment return — but what is risk?" he asks.

He believes that, while a cash investment might seem to be risk-free, with risk being synonymous with market volatility, in fact this view arises from too little attention being paid to the particular situation of a fund, especially its liability.

"The risks faced by a long-term contractual savings vehicle in an inflationary environment will make a cash investment anything but risk-free."

"In fact, in our environment investments in gross assets have significantly outperformed other investments over the long-term, and have been the only way in which the real value of savings can have been protected."

"Investing in cash assets guarantees the nominal capital of the investment while ensuring that the capital will purchase less when it is realised than when the investment was made," he says.

"There are number of ways to define investment risk, he explains.

In essence, the risk factor is directly related to the growth of assets in a fund relative to the growth of liabilities.

"The major component of investment risk is liability-driven and not confined to the asset side of the balance sheet," Ryder says.

"The fluctuation of asset values has little meaning when isolated from the liabilities which those assets finance."

If there is no need for a fund to dispose of an asset for a period, and its members have not received any guarantees of minimum benefits, the fluctuation of values over that period may have little relevance.

"A similar situation arises if the liabilities are adjusted in line with asset values as they fluctuate."

To measure fluctuation in investment returns, and use them as indicators of the risk profile of a fund's investment, is an over-simplification, Ryder says.

Control

He adds there are three categories of investment risk:

- The mismatching of assets and liabilities.
- The concentration of equities or bonds, or
- The quality of equities or bonds.

"While the first two categories can be measured to some extent, the third contains an element of intuition."

In the case of the first category, to control risk it would first be necessary to match the fund's assets and liabilities.

"There is no easy solution to the problem of measuring investment risk, but, without an assessment after risk relative to liabilities, the information needed for managing a fund and assessing the performance of its investment managers is incomplete."

Ryder adds: "A quiet evolution is under way to ensure a sound basis for the setting of fund investment objectives and measurement against these objectives."
Union to take up black advancement with bank

ALAN FINE

THE Banking, Insurance, Finance and Assurance Workers' Union (Bifawu) plans to make black job advancement a key issue in future relationships with Santambank, in particular its policy of not employing black tellers or front office clerks.

The Nactu-affiliated union last week signed a recognition agreement with Santambank, following soon after a similar agreement with Auto & General.

The agreement, which covers about 100 black employees in the Johannesburg area, entitles the union to negotiate on matters like wages, grievances, discipline and retrenchment, a union spokesman said.

Santambank assistant industrial relations manager Ben Spies confirmed the bank's policy until now excluded the employment of blacks, and males, as tellers.

However, Spies added, he expected the attitude towards blacks to change, as the bank "had to move into the future as others, such as Standard and First National, have done".
Blacks in cleft stick, seminar told

MOST blacks at managerial levels were forced to live a culturally conflicting existence — treated as equals to whites at work and becoming black in apartheid society at the end of the day, a black expert told a seminar yesterday.

Ali Mokoka, manager (training) at First National Bank Centre for Management Studies, spoke of this problem at a Unisa School of Business Leadership (SBL) seminar on "Black Advancement: Strategies for Success" in Johannesburg.

"Even within the workplace environment, however, the black manager faces a number of conflicts and inconsistencies. Top management might prescribe non-discrimination, but the black may still confront discriminatory behaviour from lower-level management which has adopted an attitude of malicious compliance.

Hostility

"Similarly, he might have had little previous exposure to white informal networks and could feel uneasy with the subtle political interplays between interest groups at this level," said Mokoka.

The black man might be the victim of unwilling white secretaries and the target of hostility from the shop floor, Mokoka added. "Corporate SA needs to shift from being high on rhetoric and short on action as far as equal opportunity is concerned, and should start acting now."

He suggested that companies condition environments by adopting programmes directed at meaningful equal opportunities, and by pressurising government to speed up political reforms.
Merchant banks falling prey to headhunters

TRADITIONAL merchant banks are finding it difficult to hold onto skilled staff, who are being tempted to join smaller, boutique-type operations with lucrative remuneration packages.

Experienced corporate financiers are well positioned to negotiate for more than mere salary. The winning formula appears to be some form of profit share plus equity in the overall operation.

Ed Herr Rudolph GM (corporate finance) Tak Hiemstra, formerly of FirstCorp, says: "While larger merchant banks have the infrastructure and ability to be flexible with a large capital base, they often lack the ability to reward key staff in a way that provides a performance incentive."

"Board of Executives (BOE) securities executive director Richard Derman says: "The nature of corporate finance work is to look for opportunities to make money for others. This begs the question - how long will individuals be prepared to do this before looking for a share of the action themselves?"

"The evidence is there, ranging from Laurie Korsten's move from Volkskas Merchant Bank to Corbank, Derek Cohen and his team from Trust Bank to Mercantile Bank and, more recently, Richard Derman and John Wright from FirstCorp plus Bobby Paysh from Corbank to BOE."

"The central problem facing traditional banks is how to attract skilled entrepreneurs typically attracted to corporate finance."

Derman says: "It is extremely difficult to keep, let alone attract, a member of the corporate finance division without upsetting others within the bank."

The problem is compounded by the shortage of skilled labour. This coupled with political uncertainty has led many - corporate bankers in particular - to take the view that a salary alone is not enough to keep them in the country. Opportunity for capital growth and some form of profit share has frequently become the deciding factor.

FirstCorp vice-president Graham Drinkwater says: "Remember that people in this industry are both highly skilled and mobile. They can move out of banking into other industries, or to merchant banks elsewhere."

Argue

Still, larger banks argue they have two factors in their favour. Firstly, they are positioned to offer a one-stop service for corporate customers and prevent time wasted shopping around.

However, Derman says corporates often prefer to do business with one institution and the international division of another.

"Traditional institutions also argue they are easily able to grease the wheels of large transactions with their ready access to finance."

However, Hiemstra says: "While small operations have access only to small amounts of capital, it is easy to syndicate finances. If the deal is good then finance is not a problem."

Derman adds: "At BOE we share what we generate and also have the opportunity to put to account our listed stock. This is the best of both worlds, combining the opportunity for personal gain with the more traditional banking environment."

Says Korsten: "We employ top people - ad hoc corporate finance executives - and allow them to operate independently. Effectively, they are brought in at director level and given equity stakes in their separate activities."

But money is not the only motivation, he adds. "It is also the content of the job. It will, however, always remain difficult to keep these entrepreneurs on board."

Cohen, who left Trust Bank in October 1987 with nine other staff members, says: "Our philosophy is to give our guys equity up-front. That is what makes the difference. This allows them capital growth as well as profit share."

Cohen, who now heads Mercantile Bank, concedes that larger players are catching on: "They are improving and becoming more sensitive to star performers."


Courses for brokers

AA LIFE'S broker training programme has benefited the company. Many brokers underwriting its business have been on the course.

AA Life came onto the broker market as a rookie, and after conducting research, spotted a gap in broker training. There were many technical and product courses, but no sales and motivational ones for independent or new brokers.

Broker success revolves around basic sales and marketing techniques. The five-day broker school was first offered six years ago.

AA Life has also started a three-day broker secretary school.

About 700 members of the broking fraternity have passed through the various courses.
Banking unions react to spate of robberies

By Kevin Udeman

Bank robberies must be accepted as one of the occupational hazards of working in a banking mall because it is impossible to eradicate this "universal problem" completely, says Mr Leon Burger, general secretary of the Nedbank Staff Society.

But this trade union, along with the two others operating in the banking industry in South Africa, the South African Society of Bank Officials (Sasbo) and the Volkskas Amptenare Vakbond (Vav), all expressed concern over the recent robberies because of the increased threat they posed to the safety of their members.

The trade unions were reacting to the sudden increase in bank robberies on the central Witwatersrand which have, since the beginning of the year, netted nearly R23 million.

AFFECTS SAFETY

Mr Burger, who heads the 6 000-member union for employees of Nedsure and its affiliates, said that the issue had been raised with management because it affected safety in the workplace.

He said some of the details which were discussed with management would have to remain "secret" but they had decided that "as a matter of procedure more guards would be employed and less cash would be carried".

"The employer has also indicated that a full-time psychologist was available to subsequently assist members in distress and that staff was being trained how to react in the event of a robbery."

He added that banks could not be fortified beyond the service industry norm.

On Tuesday, Vav, which represents 9 000 employees of Volkskas Bank, held a meeting with management to deal with the issue. General secretary Mr Herman Breedt said that both the company and the union recognised their mutual interest in the safety of the employees.

Mr Breedt said that while provision of safety standards and appropriate protective equipment and the development of safe operating procedures were a management responsibility, the union recognised that safety was also a responsibility of the employee.

"The union will therefore assist management wherever possible to raise safety consciousness and to this end ensure compliance with safety practices and procedures," he said.

Mr Graeme Rowan, the assistant general secretary of Sasbo, said that as the largest trade union involved with banking in the country, Sasbo was very concerned about the recent spate of bank robberies.

Sasbo represented about 20 000 employees of First National Bank, Standard Bank and Republic Bank.

"We will be holding Sasbo's quarterly national council meeting in Johannesburg this weekend and the bank robberies are on the agenda," he added.
20,000 CAs needed by the year 2000

SOUTH Africa will need 20,000 chartered accountants by the turn of the century, which means it will have to expand greatly on the 11,500 active last year.

CA Education Endowment (Eden) Trust chairman Henri de Villiers says in the 1988 report that the number of active CAs continues to be eroded by emigration.

"In recent years, there has also been a decline in both the numbers entering the CA profession, and in the number of registered members. In addition, the number of members from the black sector has been minimal."

"At least 10% of the 20,000 CAs needed should emanate from the black sector. Furthermore, if these numbers are to be achieved, it is necessary to ensure that accounting departments at universities are well staffed with capable people and remunerated on a competitive basis."

The Eden Trust was established in 1986 by the SA Institute of CAs, the Public Accountants and Auditors Board and the Association of Black Accountants of SA.

The original target of the trust was to establish an endowment fund of R20-million in five years to achieve an annual income of R1.6-million to fund these objectives.

Mr De Villiers reports that the trust has received more than R1.3-million from accounting practitioners and other donors. He believes the target will be achieved this year.
R100m in claims on AAM auditors

SUMMONSES for claims of more than R100m for alleged breaches of professional duties have been issued against the auditors employed by AA Mutual prior to the collapse of the company’s short-term insurance business, according to papers filed in the Rand Supreme Court.

In an affidavit, one of the partners at auditors BDO Spencer Steward (formerly Spencer Steward), Rae Brown, said summons had been issued against the firm and individual partners, following the liquidation of AA Mutual’s short-term business in June 1986.

Brown’s affidavit was made in an application by the auditors for an extension to the time period prescribed for the filing of their pleas in defending a R15m claim brought by Fedbel Ltd and Fedlife Assurance Ltd. The auditors’ application for an extension was postponed until August 1 by Mr Justice O’Donovan.

The Fedbel (formerly Federated Employers Investment Co Ltd) and Fedlife (formerly the Federated Life Assurance Company Ltd) claim arises out of the Federated Insurance-AA Mutual merger in February 1986.

In terms of the agreement, the Federated group bought the controlling holding in AAM from Kirsh Industries and the Automobile Association.

After assuming control of AAM and having paid R35m, Federated discovered that underlying losses exceeded what had been expected, and cancelled the deal.

According to Brown’s affidavit, claims against the firm relate to alleged deficiencies in its auditing of AA Mutual for the year ended April 30 1986, and alleged breaches of duties in respect of the period after April 1986 and prior to the liquidation of the short-term insurance business.

He said at the same time as the Fedbel action was instituted against the auditors, summons was also served on them by Sunsept (Pty) Ltd, Mandalone (Pty) Ltd, AA Mutual Insurance Association Ltd and the AA.

All Spencer Steward’s working papers in respect of the periods in question were seized by the Melamet Commission and subsequently placed in storage with the SAP, Brown said.
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NELSON MANDELA
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SEGMENTATION
negotiated

Bilateral Reconciliation

BY MOGADAD PELA
Attention sets in for banking staff
Six in line to be top SA businesswoman

By Don Robertson

It is not sexist nor does it represent another discriminatory issue. But on August 23, the best businesswoman of the year will be announced.

Jennifer Kinghorn, chairman of the Executive Women's Club of Southern Africa, says the award is intended to make the public aware of the position that women can hold in business; to encourage younger women to strive for greater achievement; to highlight the success they may attain; and to promote among employers the potential that women have.

The need for a businesswoman of the year was recognised by the Executive Women's Club, which has 300 members.

It is hoped that in the next 10 years or so, it will no longer be necessary to distinguish between men and women for the award.

Nominees

The nominees for this year's award are:

- Joy Wagner, managing director of Murray & Roberts Properties in the Transvaal and Free State, has achieved a remarkable growth in gross earnings since she took the position in 1987.
- Prudential's executive director of Murray & Roberts Properties, she is in charge of 120 employees and a property portfolio worth almost R30-million.

After taking on the important role in the group, Miss Wagner disposed of several properties with a resultant improvement in the return assets. The division is on target to lift earnings by 261% in the year to June.

- Shirley Law-Kun was financial controller of M&R and holds a BComm degree.
- Allyson Lawless, managing director of Murray & Roberts Properties, is president of the institute of Structural Engineers of SA. Her greatest success is the establishment of a software retail operation in Portugal. It made her one of the finalists of the CISA software export competition.
- Prue Pfuhl is owner and managing director of Biggie Best, manufacturer of home decorating fabrics and wallpaper as well as accessories. To allow the concept to grow, she has developed a business challenge for the company's growth of up to 60% since 1981.
- Mrs Lawless is also the first woman committee member of the Institute of Structural Engineers of SA.
- Rietjie van den Raad is founder and managing director of Multi-Shine, a small business that started in 1981. It has a turnover of R1.5-million, is expected to rise to R2-million this year.
- The company services building companies in Johannesburg and Pretoria as well as manufacturing and retailing cleaning materials under the brand name Multiple-Products.

In a line of business where quality and commitment to service are paramount, Multi-Shine sets exacting standards on recruitment and has built an enviable record for staff training.

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JOY WAGNER

Staff training.

Mrs Van den Raad is the only woman on the management committee of the Sake-kamer.

Rietjie van den Raad is founder and managing director of cleaning services company Multi-Shine.

From a small operation with only 10 people in 1981, she has built the company into one employing 420 with a turnover of R1.5-million. It is expected to rise to R2-million this year.

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In a line of business where quality and commitment to service are paramount, Multi-Shine sets exacting standards on recruitment and has built an enviable record for staff training.
Prejudice blocks blacks
The Building Society Officials Association (BSOA) wishes to make it clear that it represents only building society workers and not bank employees.

The BSOA was reacting to an article in Manpower Monitor, which said the association represented both building society and bank workers in financial institutions.
We reject long hours – bank workers

By Montshiwa Moroke

More than 300 angry Standard Bank employees in Randburg last night instructed their 34,000-strong union, the South African Society of Bank Officials (Sasbo), to reject the bank’s extended trading hours, due to come into effect on Saturday.

However, the two-hour stormy protest meeting, held behind closed doors at the Randpark Club, rejected calls from the floor for strike action.

A resolution passed at the meeting read: “We resolve that the revised hours for Saturday morning/afternoon be rejected and that it is not open for negotiation.”

Employees are unhappy because they were not consulted by their union during negotiations with Standard Bank over the extension of Saturday hours.

From Saturday, 10 branches will be open until 1pm. The bank reserves the right to extend the hours until 3.30 pm.

At last night’s meeting, bank officials censured Sasbo for accepting longer hours without first referring back to members and greeted with derision Standard statements that the matter was not an issue between the bank and its employees.

Sasbo deputy general secretary Mr Graeme Rowan acknowledged that Sasbo had misread its members’ feelings.

Sasbo and the Standard are due to meet for further negotiations on the issue tomorrow.

Standard employees plan to hold further protest meetings in the Johannesburg and East Rand areas this week.
MORE than 300 angry Standard Bank employees have instructed their union, the 34 000-strong South African Society of Bank Officials, to reject the bank's extended Saturday trading hours due to come into effect on September 9.

The meeting, which rejected calls from the floor for illegal strike action, censured Sasbo for accepting longer hours without first reporting back to them. Sasbo acknowledged that the society had misread its members' feelings on the issue.

Sasbo is due to meet with Standard Bank for further talks on the subject today. The society's Standard Bank members have scheduled further protest meetings in the Johannesburg and East Rand areas during next week.

**Ikageng club clean-up**

The Ikageng women's club (Mofolo branch) under the chairmanship of Mrs Joyce Ncala had a hectic weekend last week. They undertook the cleaning of Mshenguville on Saturday, and on Sunday they went on an outing to the Heila Safari to be treated to a buffet and Mzumba dance vibes, including all the wonders of the holiday.
Bank staff row over pay memo: Dispute declared

By DICK USHER, Labour Reporter

FIRST National Bank staff in Cape Town are up in arms about disciplinary action taken against four employees over a memorandum seeking support for a 20 percent pay rise.

The South African Society of Bank Officials has declared a dispute with the bank and is to apply for a conciliation board hearing.

The society called the bank management's reaction "heavy-handed." It is concerned because it does not see the members' action as conflicting with industrial relations legislation and because of the way the disciplinary hearings were conducted.

The society said the bank would not postpone the hearings to allow the members to be represented by senior officials from Johannesburg, but flew its own senior industrial relations manager to Cape Town to conduct the hearings.

Canvass support

The memorandum was drawn up after the Cape Town annual meeting of the society to canvass support of members not at the meeting for the 20 percent increase, according to a statement issued by the society.

Once distribution began the bank "immediately resorted to heavy-handed tactics" to squash it.

Four staff members were required to attend disciplinary hearings at which they were found guilty on several charges, but no further action was taken.

Sets of demands over the issue were exchanged between the society and First National and the society declared a dispute when the bank did not comply with its demands.

Mr Colin Hunt, a general manager, said it was an internal matter which would be resolved internally.
Bank staff angry at new Saturday hours

Johannesburg - More than 300 angry Standard Bank employees have instructed their union, the South African Society of Bank Officials (Sasbo), to reject the bank's extended Saturday trading hours, due to come into effect on September 9.

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Sasbo is due to meet Standard Bank for further talks on the subject today.

The society's Standard Bank members have also scheduled protest meetings in the Johannesburg and East Rand areas during next week. - Sopa
Union is told to reject new bank hours

MORE than 300 angry Standard Bank employees have instructed their union, the 34 000-strong South African Society of Bank Officials (Sasbo), to reject the bank's extended Saturday trading hours due to come into effect on September 3.

The meeting, which rejected calls from the floor for illegal strike action, censured Sasbo for accepting longer hours without first reporting back to them. Sasbo acknowledged that the society had misread its members' feelings on the issue.

Sasbo is expected to meet Standard Bank for further talks on the subject tomorrow.

The society's Standard Bank members have scheduled further protest meetings in the Johannesburg and East Rand areas during next week. — Sapa.
Bank goes ahead with extended hours plan

STANDARD Bank is going ahead with its

Bankgoes ahead withextende-hours plan
Estate agents prodded

By Robyn Chalmers

ANOTHER plea for improved professionalism among estate agents was made this week by Estate Agents Board executive committee member Norman Nel.

Mr Nel was speaking at the annual convention of the Institute of Estate Agents at the Carlton Hotel, Johannesburg.

The level of professionalism of estate agents, particularly in the residential market, has been under the spotlight for some time. Many hard-done-by sellers claim agents have disposed of their loans at low prices to gain a quick sale and commission.

Although they deny this,

Mr Nel made it clear that estate agents would have to improve their skills and accuracy to cause a climate of security, reliability and professionalism.

Mr Nel said many new challenges would evolve, and agents would have to be trained and develop a more balanced social conscience.

To achieve this, agents would have to co-operate with the authorities and any other institution concerned with the training and education of its members.

“We must promote and organise seminars where we can involve expert real estate practitioners to provide the latest information and trends on the marketplace, represent to the public and authorities the security they seek when dealing with agents and safeguard their interests.”

Estate agents would have to stimulate and promote international contact among other things by providing generous sponsorships. They should take part in all forms of national and international real-estate activities to keep abreast of developments.

Those members who chose not to toe the line should be effectively disciplined.

He questioned why only 500 of the 23,000 registered estate agents (of 25%) had attended the convention. It was their duty to continually improve their knowledge and professional ability.
Angry staff and bank in showdown?

Staff Reporter

A SHOWDOWN was looming between First National Bank and angry employees this week amid claims that the bank tried to "intimidate" staff who were pushing for a 20% across-the-board salary hike.

The focus of the dispute is Cape Town, where a group of four officials recently circulated a petition to their colleagues calling on them to support "industrial action" necessary to secure their increase.

Bank sources said First National's employees were disgruntled because they had received smaller increases than their counterparts at the Standard Bank.

Their petition said: "Inflation...has in recent years eroded our purchasing power to the extent that we are no longer able to enjoy a lifestyle befitting our profession."

But the bank's top management were not amused.

And according to the 35 000-member South African Society of Bank Officials, First National resort ed to "heavy handed tactics" in a bid to squash the initiative.

Sasbo's deputy general secretary, Mr H G Rowan, has confirmed that Sasbo has declared a dispute and said the union was preparing an application for the Conciliation Board.

"The bank has called an urgent meeting of the standing joint committee in Johannesburg on Monday, and Sasbo members will be attending another meeting in Cape Town on Thursday to thrash out the issue."

Mr Colin Hunt, a general manager at First National's headquarters in Johannesburg, declined to comment, saying the bank regarded the issue as an "intra union matter". He confirmed there was a dispute between First National and Sasbo.
Ex-African Bank chief joins Fabcos

By Jabulani Sikhakhana

Former chief executive of the African Bank, Gaby Magomola, has been appointed non-executive chairman of Fabcos Marketing, a division of the newly formed Foundation for Business and Consumer Services (Fabcos).

Mr Magomola, who will be based at the Johannesburg office of Fabcos, has declined to give any details.

Fabcos was launched last year by Sakka (South African Black Taxi Association), the National Black Consumer Union and the Transvaal Black Builders' Association. It claims over one million members from 12 affiliates.

Financially independent

The marketing arm will help, among other things, develop a resource/data information centre in the black market.

Revenue generated from the sale of information will, hopefully, make Fabcos financially independent within two to three years.

Fabcos Marketing will also act for affiliated associations and negotiate discounts for members.

Mr Magomola joined the African Bank as CE in 1987 after working as a personal assistant to Chris Ball of the then-Barclays Bank (now First National Bank). Before that he worked for Citibank in London.

He was sacked by the African Bank early this year amid rumours of staff discontent with his management style and complaints that he had tried to implement a cost-cutting programme, including a reduction in Dr Sampie Motsuenyane's salary. Dr Motsuenyane is chairman of the bank's board.
Fired bank staff plan legal action

EAST LONDON.—Dismissed Gisela People’s Development Bank employees are considering legal action against the Gisela government.

It was reported yesterday that 18 white employees at the bank were fired on Thursday, allegedly for racism, on the orders of President Lennox Sebe.

The officials, who held posts ranging from top management to senior clerical level, claimed they were given three months’ pay instead of the agreed six months’ pay.

They are considering action on the grounds of unfair dismissal, and to demand compensation.

— Sapa
First National Bank slices staff numbers

Greta Steyn

FIRST National Bank (FNB) group had sliced its staff numbers by 500 since February as part of a drive to cut costs, senior GM Jimmy McKenzie said yesterday. The group's targeted reduction in staff is about 1 400.

The bank was approached for comment after talk, that numerous employees had taken early retirement as a result of the banking group's aggressive programme to trim operating expenditures. Sources said some employees near retirement age were being offered handsome retirement packages to leave early.

McKenzie denied there was a specific programme of early retirements, but said: "Anyone aged 55 can apply for early retirement and we might suggest this in some cases where a job has become redundant."

The staff complement was currently about 25 500 and the group would continue with a strategy of reducing numbers through "natural attrition," he said.

With FNB's profitability under pressure, new MD Barry Swart devised a wide-ranging strategy to cut costs. As the banking group nears its year-end in September, the signal from the group is that the drive has been successful.

Swart countered the problem by cutting costs and slowing down the excessive growth in the bank's balance sheet. In terms of the rationalisation programme, three local headquarters were reduced to two and First Industrial Bank was trimmed to a division.

"We are continuing with an ongoing review of all the posts in the bank to pinpoint those that are not really necessary. There are always areas where there are waste, and we are concentrating on finding them," McKenzie said.
Top businessmen preparing for takeover battle

By AUDREY D’ANGELO
Financial Editor

"IT'S like something that happens in Wall Street — not in Cape Town," protested a young city executive.

Like most of the city's business community he was discussing the attempted takeover of the long-established but far from stable Board of Executors (BOE) by the rapidly expanding, Johannesburg-based Investec Bank.

Both organisations are headed by men to be reckoned with.

CEO of "The Board" — as everyone calls it, in spite of the short form of BOE it adopted when it was listed on the JSE in 1987 — is Bill McAdam, a former Western Province cricket captain and one of the shrewdest financial brains in the country.

He came top when he wrote the Stock Exchange exam in 1972, and joined the Board to establish a pension fund management division in 1977. Before long he had recognised an opportunity to establish a money market which now accounts for a large portion of the Board's business.

Interviewed in 1984, two years after he was appointed MD, he said he enjoyed the challenge of management as well as "the investment game".

Under McAdam, the Board has branched into new ventures including retail, with an investment in the Storeco group.

It has grown much bigger. Last year, when it celebrated its 150th anniversary, it had about R1.8bn in funds under its administration and its property activities were contributing about 25% of profit.

McAdam said it was expanding its activities into the Transvaal, where it intended to become "a much more meaningful player".

Its financial year ends in a few days' time, on September 30, and its results are expected to be impressive.

This is one of the things its senior executives are believed to be pointing out to shareholders in unlisted Mercury Trust, BOE's holding company, which Investec is trying to take over with a R52m offer.

The executive chairman of Investec Bank, Bastiaan (Bas) Kardol, has earned a formidable reputation. A former chairman of the huge C G Smith group, he became chairman of Barlow's overseas division after it acquired the British group J Bibby & Sons.

He came to live in Cape Town two years ago when he retired at the age of 60. But, after decades at the top in business, the "retirement" did not last long.

Kardol remained a director of several companies, jetting around the world very much in touch with what was going on.

He soon became non-executive chairman of the Corporate Consulting Group (CCG), a firm of management consultants with a client list including some of SA's top industrial and financial services organisations.

Now he is executive chairman of the dynamic, rapidly expanding Investec Bank which recently took over Duros Merchant Bank.

A spokesman for the bank said yesterday that, whatever the outcome of the offer for Mercury Trust, Investec intended to expand its presence and activities in the Cape.

Kardol said this week that he had a high regard for the Board and its management, and hoped for important synergies if the takeover succeeded.

Meanwhile, BOE executives are understood to be urging Mercury shareholders not to allow themselves to be rushed into taking a hasty decision.
Top job for Magomola

THE former chief executive of the African Bank, Mr Gaby Magomola, has been appointed chairman of the Southern Africa Black Taxi Association's marketing company.

This was confirmed yesterday by the managing director of Taxi SA Marketing (Pty) Ltd, Mr James Chapman, who said Magomola's appointment was done not only because of his high standing in the corporate world, but because of his influential contacts and finance and administrative expertise.

Magomola, whose expulsion from the African Bank caused controversy early this year, will serve as advisor to the company, particularly in the areas of small business finance, banking and insurance.

Commenting on his new job, Magomola said he was pleased with the appointment.

Gaby Magomola

He had received numerous other lucrative offers.

He said: "I accepted this particular one because of the track record of the black taxi industry in South Africa's economy and the potential it holds. I look forward to challenges we all face in helping to empower our people economically."
Saturday bank storm

More than 300 Standard Bank employees have objected to the proposed long hours, even threatening to strike.

The strike was averted after a meeting at which South African Society of Bank Officials (Sasbo) members decided to hold protests in the Johannesburg and East Rand areas.

Sasbo was criticised at the meeting for accepting the longer hours without consulting members. Although the union admits that it may have misread its members’ attitude, it still believes the scheme is a good one.

There appear to be two major employee gripes with the system. Most women workers at Standard Bank branches are against working on Saturdays, saying they need those mornings for domestic and other chores.

Many employees are dissatisfied with the large tax deductions which result from the overtime pay, although in total they stand to increase their earnings by about R12 million in Saturday pay.

Sasbo general secretary Ben Smith says the scheme is a good one, giving members greater benefits in the long run.

“Our advice is to give it a chance. Members should allow the system to bed down before passing judgement.”

John Verster, Standard Bank divisional general manager of human resources, believes the issue has been blown out of all proportion by the media.

He says that a pilot run of the scheme took place last Saturday and it went off extremely well, employees voicing few objections.

CONFIDENT

“We have stressed all along that this is only a pilot, and we realise that we may run into some problems. We are confident we can iron them out and are holding discussions with Sasbo.”

Dr Verster says it has not even been established whether Sasbo members really threatened strike action or not. He says none of the Standard Bank employees made threats of this sort.

Other banks are treating the issue with caution, adopting a wait-and-see attitude. First National Bank (FNB) says it will not follow the same route as Standard until it sees what the outcome of the pilot tests are.
FINANCE - LABOUR

1990
Wage increases

in September 1989 compared to the same month in 1988. Part of the huge jump could be explained by a payout of bonuses or profit-sharing in September 1989.

Bankers netted up an astonishing 17.2% real increase in their average monthly pay packets between September 1989 and the same month last year. Before inflation, this came to an increase of more than 30%.

However, the figure is subject to statistical noise because of the timing of bonuses and profit-sharing. These extra payments are included in the calculation for average monthly salaries.

Between June 1988 and the same month last year, the real increase was about 4%—still higher than the economy as a whole. The average monthly salary in the banking sector was $12,653 in September (at current prices) and $11,110. Building society employees, by contrast, experienced a real decrease in average monthly wages between 1988 and 1989.
Futures exam programme under way

THE SA Futures Industry Association (Safia) said yesterday its examination programme was well under way, with 62 out of 74 candidates having passed the first leg, the Junior Certificate Examination.

The examinations, a requirement of the Financial Markets Control Act, will become mandatory for all would-be futures operators by the time the SA Futures Exchange (Safex) starts operating later this year.

Safia said 37 candidates had obtained a distinction — 90% or more. A few of the failures had written the exam as a "trial run" and had not read any of the course material. 8.0 11.1 11.9

ROBERT GENTLE

Certain well-established players have argued it is time-consuming, expensive and unnecessary to impose examinations on people who have been trading successfully in futures and options for many years.

Safia's response has been that experienced players should have no trouble passing.

A member of the examinations board and co-author of the course material, Hans Falken, will be giving a detailed lecture on the Ordinary Certificate Examination on January 23 at the JSE.
Govt plan to rationalise estate agents

SYLVIA DU PLESSIS

GOVERNMENT has announced steps to rationalise certain aspects of the control of the estate agents industry after discussions last week with the Estate Agents Board (EAB).

The move is aimed at making it more difficult for newcomers to the industry to practise as estate agents, and places responsibility for the actions of sales people on their employers.

Trade and Industry Minister Kent Durr said in a statement last night a "legislative package" embodying government thinking on deregulation and rationalisation — to be compiled in consultation with the industry — would be submitted to Parliament next year.

Durr also said practical rules regarding entrance examinations for newcomers to the industry wishing to operate as estate agents would be discussed with the EAB, which should be "encouraged" to provide education at private or public educational institutions or by correspondence for estate agents at different levels.

"In future, as far as possible, however, new legislation should place the onus not on inspectors but on principals (the employers) to ensure that employees conform to the minimum standards or knowledge and/or ethics as laid down," he said.
Former bank chief
seeks reinstatement

Former African Bank chief executive, Mr Gaby Magomola was due in the Pretoria Industrial Court today to seek his reinstatement or compensation for his dismissal.

This was confirmed by Johannesburg lawyers advising Mr Magomola and those representing the bank's chairman, Mr Sam Motsuenyane. Mr Magomola was dismissed last March.

Lawyers said Mr Magomola would challenge the bank to reinstate him on grounds that his dismissal constituted an unfair labour practice or that he be compensated for damages incurred following his sacking.

The lawyers said Mr Magomola, would apply to the court for the parties to make representations without legal representatives, but by late yesterday it could not be established if this would be acceptable.

Mr Magomola was apparently fired after calls from bank staff for his resignation after he tried to reinstitute a rationalisation and cost-cutting programme that was approved by the bank's auditors.

After his dismissal, Mr Magomola sought legal advice on the matter and he is to challenge the bank to reinstate him or give him an award for losses incurred as a result of the action by the bank.
Ex-bank boss fights for job

FORMER African Bank chief executive Mr. Gaby Magomola goes to the Pretoria Industrial Court today to demand his reinstatement and compensation for his dismissal.

This was confirmed by Johannesburg lawyers advising Magomola and those representing the bank's chairman, Mr. Sam Motsharane, following Magomola's dismissal last March.

Lawyers said that Magomola will challenge the bank to reinstate him on grounds that his dismissal constituted an unfair labour practice or that he be compensated for damages incurred following his sacking.

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On the other hand, lawyers representing the bank yesterday said that they will contest the action but would not give grounds for their argument. They said that the matter will be heard in the industrial court today at about 9 am.

Informed sources have disclosed that the two parties might resolve the matter outside court, although some have argued that the bank will contest the unfair dismissal contention by Magomola.

Magomola was appointed chief executive following the multi-million rand foreign exchange swindles by three African Bank senior staff in 1987. Mr. Jack Theron was appointed acting chief executive after his sacking.
AFRICA Sand Magomola settle out of court

AFRICA Bank (Afbank) made an out-of-court settlement with its former CEO Gaby Magomola just before a case relating to his dismissal from the bank in March last year was to be heard in Pretoria's Industrial Court yesterday. He held that his dismissal constituted an unfair labour practice on both procedural and substantive grounds. Last night he said a settlement had been reached, "virtually on the steps of the court" at the request of Afbank.

He was happy with his settlement, but had agreed with Afbank not to disclose the amount involved. Magomola is chairman of Fabeco's marketing company and will continue to run his consulting firm. He said the settlement was a great relief as he had wanted to clear his name after his dismissal "had created question marks in people's minds".
African Bank job dispute settled

By MONK NKOMO

The dispute between the African Bank and its former chief executive, Mr Gaby Magomola, took a dramatic turn yesterday when the two parties reached an out-of-court settlement.

The two agreed to keep the terms of the agreement confidential.

Magomola brought an application before the Industrial Court, challenging his dismissal from his post in March last year on the grounds that it constituted unfair labour practice.

The bank's lawyers, accompanied by his wife, was not represented.

The agreement was made an order of court by the presiding officer, Mr C Louw. Both parties declined to release copies of the application and replying affidavit to the press.

GABY MAGOMOLA

Mr Nazier Cassim and Mr Brian Bleazard, held discussions in camera with Magomola for about three hours before they reached an agreement without the matter being brought before court.

Magomola, who was accompanied by his wife, was not represented.

The agreement was made an order of court by the presiding officer, Mr C Louw. Both parties declined to release copies of the application and replying affidavit to the press.

Reasonable

Emerging from the courtroom, Magomola told members of the press, "We have reached a reasonable agreement which cannot be disclosed to the media or any other person. This closes the African Bank matter and I wish them well," he said.

Dr Sam Motsoenane, chairman of the African Bank, said the agreement was "very confidential". Bleazard said any party that disclosed the details of the agreement could be found guilty of contempt of court.

Also present at the court yesterday was Mr Joe Madibane, a former senior official of the African Bank, who has also filed an application challenging his dismissal last year. Bleazard confirmed that Madibane was challenging his dismissal, but could not disclose any further details.

Madibane's application is scheduled to be heard at the same court at 9am on February 12.
A CHMED KAREM

STAFF at Standard Bank's Jeppe Street, Johannesburg, branch were robbed by five men over the weekend - but no one was injured. About R600 and watches worth R1,000 were taken from the staff.

Witwatersrand police spokesman Lt Ida van Zeeuwen said yesterday one person was injured when hit with a firearm. No arrests had been made.

Cash and goods worth more than R170,000 were stolen from other businesses in Johannesburg over the weekend.

Three armed men stole jewellery worth R150,000 and R1,000 in cash from Court Jewellers in Fritchard Street on Saturday morning.

And yesterday morning, four armed men stole R15,000 from the Springbok Hotel in central Johannesburg. The owner, Stanley Ansell, aged 28, was assaulted but was not in serious condition, van Zeeuwen said.

No arrests had been made in either case.
J G Strijdom to help Coronation

J G STRIJDOM Hospital is to be used to alleviate overcrowding at nearby Coronation Hospital.

Two empty 30-bed wards at J G Strijdom have been placed at the disposal of Coronation, according to a statement by House of Assembly Health Services and Welfare Minister Sam de Beer.

Empty wards at J G Strijdom are largely the result of the exodus of staff after the hospital's controversial status change from general to white own affairs last year. Under own affairs the hospital could not retain its academic status.

As a result, many doctors, appointed jointly by Wits University and the Transvaal Provincial Administration, chose to be transferred to remaining academic hospitals.

Urgent

Now jointly-appointed doctors at Coronation hospital will care for patients transferred to J G Strijdom hospital, De Beer said.

He said empty wards at J G Strijdom could not be justified while there was an urgent need for patient accommodation at a nearby hospital.

The decision to open wards to Coronation was reached in consultation with House of Representatives Health Services and Welfare Minister Chris April and Wits University, he said.

De Beer said the arrangement offered a unique opportunity to provide, on a cost-effective basis, a more efficient service to patients of both hospitals.

Raw deal for bank's staff

STAFF at Standard Bank's Jeppe Street, Johannesburg, branch were robbed by five men over the weekend — but not a cent was taken from the bank itself, police said.

About R1 000 and watches worth R1 500 were taken from the staff.

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Police find six youths dead in Natal

EMPANGENI — Police found the bodies of six youths at Sokhulu, near Empangeni, in Natal on Saturday.

Police spokesman Maj R Crewe said six other people had been wounded. They had apparently been shot with a shotgun, he added.

The news of the deaths comes in the wake of an ANC peace mission to Natal.

Police are continuing investigations. — Sapa

NATAL UNREST DEATHS

September 1987 — January 1989: 663
February 1989 — February 22 1990: 630
Past 72 hours' official toll: 8
TOTAL: 1 361

There are two sets of these, but the answers are the same.
Joint trade union seminar

The Banking, Insurance, Finance and Assurance Workers Union and the Black Allied Mining and Construction Workers Union will hold a joint seminar at the Witspruit Fellowship Centre over the weekend.

Among the topics to be discussed are the handling of disciplinary cases, meeting procedures and negotiating skills.

Those who will deliver lectures include Mr Oupa Nene, Baphethi and Mr Sipho Magazi.
CE defends job change

PRETORIA — Bankorp's new CE Piet Liebenberg said here at the weekend his move from one employer to another, although they were in direct competition, was not ethically wrong.

Liebenberg, who resigned as Nedcor CE last month to join Bankorp, said his conscience was clear — a door had closed and another had opened.

Speaking on Ethics in the Business World at Pretoria University, he said he was satisfied his decision would, in the long term, serve the best interests of all parties.

He said he had a responsibility to protect his career and fully develop his talents. What might well have been wrong was, for example, if he had carried confidential and sensitive information to his new employer.

He said there were some questions arising from his resignation (from Nedcor) and he had used it as an example because it showed some of the the problems with which business leaders had to contend when they had to decide what was right and what was wrong.

It was often not a simple process, he said.

Liebenberg added good business ethics were undoubtedly important and management had a responsibility to further the ideal.
Longman appeal dismissed

BLOEMFONTEIN — The Bloemfontein Appeal Court on Friday dismissed, with costs, an appeal by Longman Distillers Ltd of Edinburgh, Scotland against a judgment in favour of the Drop Inn group of liquor supermarkets.

On May 19, 1988, Mr. Justice G. Friedman in the Cape Supreme Court ordered the Deputy Sheriff to attach, to found and confirm jurisdiction, all Longman’s right, title and interest in an order for costs against Drop Inn.

He granted Drop Inn leave to sue Longman by edictal citation for R127 271 damages that had occurred in the course of the companies’ business dealings.

On Friday, Mr. Justice Nicholas (acting judge of appeal) held that the essential fact was that Longman became possessors of property attachable within the area of jurisdiction of the Cape Supreme Court.

The Chief Justice Mr. Justice Corbett, Mr. Justice Grosskopf, Mr. Justice Kurnleben and Mr. Justice Goldstone (acting judge of appeal) concurred. — Sapa.

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It was often not a simple process, he said. Liebenberg added good business ethics were undoubtedly important and management had a responsibility to further the ideal.

NATAL UNREST DEATHS

September 1987 — January 1989: ... 666
February 1989 — March 1990: ... 778
Past 72 hours’ official toll: ... 35
TOTAL: ... 1 461
Female friendly’ is new standard for bank

STANDARD Bank, whose 25 976 employees earned R805,2m in the year to December 1989, has adopted a “female friendly” policy to retain skilled women employees.

The bank’s annual report, released today, says its home loan scheme was extended last year and women staff were granted the opportunity of retaining their housing loan and/or company car during maternity leave. A Standard spokesman said the new policy was a “pro-active policy aimed at making the bank more ‘female friendly’”.

The report says Standard continues to encourage staff to obtain higher formal qualifications. “Nearly 11% of management, supervisory and clerical staff hold degrees, diplomas or certificates relevant to their work.”

Standard said the proportion of black managerial, supervisory and clerical staff also continued to grow. Blacks comprised 31,4% of these categories at year-end. In addition, black staff in the group comprised 37,8% of the total complement.

See Page 8
Putting Women into the Money

The world of high finance may still

...
PIET BADENHORST

Getting the talent

Piet Badenhorst replaces Theo van Wyk as Registrar of Financial Institutions at a time when the office is being restructured into a semi-privatised statutory council. This move is in line with government's attempts to liberalise markets and place greater emphasis on private sector involvement.

In many ways Badenhorst is the antithesis of his exuberant predecessor. He is softly spoken and somewhat reticent, though colleagues describe him as highly efficient and a pleasure to work with.

He has been a civil servant for almost 30 years and his experience includes a six-year stint as deputy Registrar since 1984. Initially, he was responsible for the supervision of investment institutions — unit trust schemes, the stock exchange, participation bonds and the Usury Act. The past three years have seen his responsibilities redirected to provident institutions — long-term and short-term insurers, pension funds and friendly societies.

Badenhorst is excited about both his appointment and changing working environment.

He says the change will in fact mean greater private sector involvement in the promotion of the financial services industry. He believes this will attract people of stature from the private sector who will see their expertise influence national policy. "This will benefit the whole country," he says.

He explains that the Institutions' office has, as part of the civil service, been unable to retain the services of young BCom graduates, because of uncompetitive service conditions.

"In the past two years, the staff turnover has been around 50% and we are completely unable to attract CAs or actuaries. We recruit and train people but as soon as they become productive they leave. No organisation can build up expertise with this type of erosion," he says.

The newly constituted board will be able to employ the necessary people and determine, with the minister, suitable market-related packages.

Badenhorst hints that there may be a greater emphasis on consumer protection.

He says the thinking on this issue is that "the doctrine of disclosure" should to a greater extent be applicable to financial services and products.

After matriculating at Cape Town's Jan van Riebeeck High School, Badenhorst completed his military service at the SAAF Gymnasium in Pretoria. In 1959 he joined the Department of Home Affairs and began studying part-time.

He obtained a diploma in public administration from Pretoria Technikon in 1972 and a BCom (Law) from Unisa in 1982.

"I consider myself to be a career civil servant and have found my choice stimulating and challenging," he says. He and his wife, Betsy, have three children. He is particularly fond of outdoor living and enjoys snorkelling on the Natal North Coast.

ROY MACFARLANE

Secure position

At the age of 65 most people think about retirement. But workaholic and fitness fanatic Roy Macfarlane has added years to his working life by organising the management buyout of Fidelity Guards and agreeing to remain as MD.

For those who know him, he is Fidelity Guards.

He rescued it from bankruptcy in 1966 and (despite being told by an industrial psychologist that he would never become a businessman) he turned the firm into a R160m-a-year company — by far the biggest guard and cash-in-transit company.

Macfarlane opted for the management buyout route six months ago, after Rennies
HYLTON APPELBAUM

Making money work

The next five years could be especially challenging for Hylton Appelbaum. He's charged with running the newly formed Liberty Life Foundation and so will take much of the responsibility for deciding how to spend some R100m on the disadvantaged.

The fund, created by Liberty Life chairman Donald Gordon, is primarily designed to alleviate poverty by improving housing and educational facilities and promoting entrepreneurial skills. Simply put, Appelbaum is Liberty's answer to Anglo's Michael O'Dowd.

Of course, there's always the argument that certain kinds of charity are at best short-term remedies, doing little to alleviate poverty. There's also the perception that using shareholders' money without their explicit consent for social upliftment is a tacit admission by business that there might be some validity in the ANC's spurious arguments for nationalisation.

However, Appelbaum (36) is quite adamant the foundation is geared towards self-help schemes rather than charitable handouts. "We want to empower people who have been impoverished to uplift themselves," he says.

He also believes a comprehensive policy of social responsibility protects shareholders' interests in the long term. Maybe he believes that R160m might have bought off nationalisation of life companies in Mozambique, as he adds that he wouldn't like to "be a shareholder in a life company in Mozambique or Ethiopia."

In some ways, Appelbaum might seem to be a corporate misfit. He's not overtly concerned with the outward trappings of success. But he's not short on confidence. Having spent the past five years administering the Donald Gordon Foundation and the Liberty Life Group Community Fund — Liberty's social involvement portfolio — Appelbaum believes he is well aware of the pitfalls. "The major challenge is to use the money effectively and productively."

Appelbaum was born in Johannesburg in 1953 and matriculated at Greenside High School. After military service in 1971, he graduated with a BA from Wits University in 1975, before starting his own clothing business with only R3 000. "I know all about small business development — it was a nightmare."

He soon became bored with fashion and started an LLB part-time at Wits in 1984, graduating only three years later with a few distinctions. Meanwhile, he had the good fortune to marry Donald Gordon's daughter, Wendy, and joined Liberty's corporate financial area in 1985. The following year, Appelbaum was put in charge of the group's social responsibility projects.

He rejects arguments that change in SA will be a case of too little, too late. "I believe if every company contributes proportionately the sort of funding which we have, it's certainly not too little and it's never too late."

Appelbaum has two children, enjoys reading and gardening — but hates sport. "The only time you would catch me running would be if someone were chasing me with intent to do grievous bodily harm."
VOLSKAS takes steps to broaden its appeal

VOLSKAS's move to Johannesburg is being accompanied by more aggressive marketing strategies and a new approach to staffing in an effort to widen its scope from being known as just "the Afrikaner's bank".

The group is poised to enter the "wheels" market to compete head-on with Stadsaal, Wesbank and Santambank and also wants to broaden its English and black customer base.

The entry into car finance for the man-in-the-street, focusing on a presence at motorcar dealers, will take place through Volkskas Industrial Bank (VIB). But VIB MD Piet de Jong says this does not mean VIB will end its traditional HP and leasing business for companies.

On the group's staffing policy, Volkskas spokesman Willie Roux said through evolution it wished to achieve a greater percentage of non-Afrikaans staff members.
By Dirk Tiemann

Senbank has suffered another blow with the departure of five senior officials who are starting their own corporate finance house.

The resignations will hit the project and corporate financing divisions of the bank, which will lose three assistant chief managers, one senior manager and two senior consultants.

Chief economist Johann du Pisanie will also leave at the end of this month in an unrelated resignation.

History

Dr Du Pisanie says: "I have decided to start my own economic information business. I will do research on contract for the private and public sectors.

"The restructuring in Bankorp did not influence my decision. I view the changes positively and believe they should improve profitability."

History is almost repeating itself for the Bankorp group, of which Senbank is a member. Corporate finance executives left Senbank and

● From Page 1

with the UK's Lucas Automotive for the formation of a joint venture company, Automotive Electronic Technologies, to make components for the motor industry.

It will play a big part in the Government's push to increase local content in the motor industry, and "significant orders" have already been won.

Senbank is hit by new brain drain

Mercabank in June 1987 to start Duros.

"Senbank managing director Reg Sherrell and general manager Charles Turner led the group. They were joined later by Murray Louw, investment manager of Rembrandt Group."

Four months later, five TrustBank project finance executives, led by Senbank's Mike Bolton and Alan Long, left to form Finco — allied to Unidev — New Bernica and National Discount House. Finco later joined Duros.

Senbank managing director Doug Anderson says the 1987 walk-outs were not unusual in the finance business.

"He believes the latest resignations will have a negative impact only in the short term. "Bankorp, and particularly Senbank, is seen as a good training school. This encourages outsiders to poach our staff."

Altech

Altech has worked closely with the Chamber of Mines over 18 months on the development of an electronic millisecond blasting system.

More than 1-million detonations take place every day in SA, and any improvement in efficiency will be a major breakthrough, says Mr Sneden.
No 5 for the Old Mutual

BLACK investors make up a quarter of Old Mutual’s 260,000 holders of unit trusts. This is disclosed as the insurer launches yet another fund — made up of specialist industrial equities — hard on the heels of the new gold and last year’s income funds.

This brings the group’s tally to five — the same number as arch-rival Sanlam. Sanlam has the only other industrial fund, although it has a few mining counters.

The Old Mutual’s products suit the season. Last year, interest rates were rising, so an income fund was launched. In January this year, the gold price was running, so forward with the gold fund. Now gold is dead or dormant, and along comes an industrial fund.

The fund’s manager, Adrian Allardice, says the JSE is not overpriced in the long term and weakness in the market is welcomed as a buying opportunity. The market moves on expectations, and the current slowdown in economic activity is reflected in weaker share prices.

Mr Allardice says corporate earnings growth will flatten in the short term, but the downturn is not expected to be as severe as in the past.

TANDEM

Previous downsaws have been in tandem with a large current-account deficit, whereas a surplus exists now.

The trust will comprise blue chips and growth stocks. To be quoted from tomorrow, the opening price to investors will be about R2. Monthly subscriptions are from R180, or a lump sum of R1,000 can be put in. The fund will need to invest in at least 20 shares because not more than 5% of its assets can be placed in a single share, nor may one investment account for more than 5% of the assets.

Investors can switch their investments in the Old Mutual unit trust network at low cost.

Figures show that the larger general equity funds have done best in the past 10 years, the Old Mutual Investors Fund leading the pack.

The reason is that the usually welcomed 13th cheque does not mean more money for staff. Allied will adjust — dock — the monthly salaries of staff to provide for a 50% pro rata 13th cheque payable in December. No interest will be paid to the staff on the amount retained.

The net effect is that the Allied retains the use of employees’ remuneration until December. People can talk about banking will — or should — know that this represents a poor deal, hardly the kind of product that group customers would go for.

PIGGY

Imagine it. “Give your money to the Allied, and we’ll give it back in six months without paying you a cent of interest.”

That hardly makes for alluring patten.

Saving in a piggy bank would give more satisfaction — at least the money is in hand.

Written notice of the change was given to staff members because “management wishes to align the Allied remuneration package with the market place by introducing a 13th cheque as part of the annual salary for grades C1 to C3.”

Allied Group chief executive Kevin de Villiers defends the new system, saying it will bring about uniformity. Everyone will be happy in December when the 13th cheque is paid.

Mr de Villiers says that only a small amount of interest would have been involved. He dismisses the notion that a principle is at stake. His objective is eventually to make the bonus payments on merit.

SKIES

The group’s advertising features staff members praising their employer to the skies.

Staff members, who asked not to be identified because they wanted “to tell Kevin” themselves who had spoken to the newspaper, expressed their dissatisfaction at the fait accompli.

“They gave us a pay rise last month and took it away again this month when we’ve all budgeted on the new amount.”

There are many cries of unfair practice.

Mr de Villiers asks how else the 13th cheque could have been reintroduced whatever the legality of the move. It can hardly be worthwhile the ill-will it has stirred at a group much prone to staff dissatisfaction.
SA on track for R6bn surplus

LATEST Customs and Excise trade figures indicate SA is on course for the R6bn current account surplus on the balance of payments (BoP) projected by the Reserve Bank earlier this year.

SA seems on track despite the second monthly decline in the surplus in April to R971m from March’s R1,17bn and February’s peak of R1,77bn. Economists note the monthly figures are notoriously erratic and a longer term view is important.

Imports rose by R310m in April to R3,64bn, reflecting a surge in the “unclassified” category — mainly oil. This category is especially erratic and experienced a huge drop in March (R286,2m from April’s R765m). Other major import categories continue to reflect the economic downturn. Exports rose by 2,2% in April.

Surplus

huge drop in March (R286,2m from April’s R765m). Other major import categories continue to reflect the economic downturn. Exports rose by 2,2% in April.

Saffo economist Bruce Donald said: “Foreign trade statistics support the view that the economy is in a steep contracting phase. Total imports, which are good indicators of the level of domestic economic activity, were 12,5% down in real terms (calculated by removing inflation) in the first four months of 1990 compared with the same period a year ago. They rose by under 3% in nominal terms.” Exports had been performing “reasonably well” over the first four months of this year.

The figures show the cumulative trade surplus for the first four months of this year is R8bn — annualised, this would yield a comfortable R15bn trade balance for the year. After subtracting net foreign payments for investment income and services of R9bn in a year, the current account surplus should be about R6bn — enough to cover foreign debt payments even in the unlikely event of no rollovers.
Staff assured of no retrenchments in Bankorp shake-up

Bankorp's strategy to become a major player in the credit card market through a shake-up of its senior staff and the appointment of a new chief executive is off to a promising start.

The shake-up, which follows a review of the bank's operations, has been designed to modernise the bank's management structure and improve its performance.

The new chief executive, who was previously the head of Bankorp's retail division, has been tasked with transforming the bank into a leading player in the credit card market, a significant step forward for a bank that has traditionally focused on mortgage and personal banking.

The shake-up has also seen the appointment of a new chief operating officer and chief financial officer, both of whom have been brought in from outside the bank to bring fresh ideas and expertise.

The new management team is determined to deliver on its promises and turn the bank around, with a focus on innovation and customer service.

The shake-up is expected to result in a more streamlined and efficient operation, with a reduction in overheads and a focus on profitability.

The bank is also looking to expand its reach into new markets, with the aim of becoming a major player in the credit card market.

The shake-up is a significant step forward for a bank that has traditionally focused on mortgage and personal banking, and the new management team is determined to deliver on its promises and turn the bank around.
PNC on track in Black Advancement Program

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Only a few face loss of jobs

By DAVID CARTE

NEDBANK and SA Perm staff can breathe easier. Rationalisation of the two groups, which starts on earnest tomorrow with the integration of their information technology (IT) units, will not cost many jobs.

Nedcor managing director Chris Liebenberg says the merger of the two IT units under Joop van Holschooten and their joint move to Unisys A series architecture will help to keep the group abreast of its rivals — but it does not imply staff reductions.

"We have been criticised for not taking rationalisation further. But the advantage of taking your time is that you can make sure you are doing the right thing. Some analysts expected us to close dozens of branches and agencies, particularly where both Nedsbank and the Perm were represented in close proximity. But we have put clients first."

Upset

"If we think they would be upset by having to move to rationalised branches, we won't do it. There will always be a Perm and a Nedsbank, the Perm concentrating on retail banking and Nedsbank on wholesale."

Mr Liebenberg says Nedcor is committed to spending millions on technology. Willie Boshoff, one of the group's computer fundis, will drop all day-to-day responsibilities to keep abreast of IT developments in banking worldwide. Nedperm will have two major computer bases, one in Sandton, the other at the Perm's head office.

Mr Liebenberg says a bank's competitive edge is determined by people, information technology and capital.
Bankorp could retrench staff

BANKORP management is to evaluate every single post in the Sanlam-controlled banking group with a view to slashing staff numbers — even if it means retrenching staff. Spokesman Bette van Loggerenberg said at the weekend, "We're already taking place, but not without a widespread misconception that Bankorp has undertaken to cut staff to leave."

"Although we would prefer rationalising through natural attrition, we will probably have to find other ways as well. We have accepted that if staff numbers are to be substantially cut, we might not be able to avoid retrenchments. Bankorp is working on a policy in this regard, and a number of options are being considered." He declined to elaborate or comment on a former Bankorp employee's claims that special allowances were being taken away as part of a cost-cutting exercise.

"The process of cutting staff numbers is a sensitive issue and we are handling it with great empathy," Van Loggerenberg said. "As far as possible, we will assist retrenched staff to find new positions outside Bankorp." Van Loggerenberg said the first step in the re-organisation of Bankorp was

Bankorp

Referring to the merger between the TrustBank corporate division and Senbank, the latter said: "We will take care to ensure that the merger does not result in a dulling of the sharp edge of the particular approach and expertise of, respectively, our merchant bankers and our corporate bankers. To that end, we will retain the one organisation the two focus areas of merchant banking and corporate banking, which will complement each other and be managed as a single entity."
Bankorp move sparks off staff unionisation

Greta Steyn 8/10/90

RATIONALISATION at Bankorp has sparked the unionisation of Bankorp staff — a break from past tradition when the Sasol-controlled group’s employees were generally not represented by a union.

The bankers’ union, the SA Society of Bank Officials (Sasbo), reports that staff members of Bankorp’s Santambank and TrustBank have been flocking to join the union since rationalisation moves began two months ago.

Sasbo spokesman Graeme Rowan said in recent days, since it emerged that Bankorp was considering retrenchment, the stream of applications had turned into a flood.

About 500 Bankorp employees ranging from senior to junior staff had already signed on.

Sasbo staff had as yet not shown an interest in joining the union.

Sasbo, which has recognition agreements with First National Bank, Standard Bank and New Republic Bank, has written to Bankorp executive chairman Piet Liebenberg to inform him that hundreds of Bankorp staffers had joined.

Sasbo general secretary Ben Smith said the union had urged Liebenberg to consider other ways of economising.

“Sasbo has offered to help Bankorp find ways of avoiding retrenchments,” Smith said.

Bankorp management is evaluating every post in the bank with a view to slashing staff numbers and has said it would retrench if it had to.

However, the emphasis will fall on natural attrition and several “other options” are also being considered. A Bankorp spokesman said that as far as possible the bank would assist redundant staff to find new positions outside Bankorp.”
### Bank moves to diffuse 'political neutrality' row

**PETER DELMAR**

The Johannesburg-based Actstop group has close links with other organisations in the broader ANC camp, particularly the UDF, which Coovadia predicted would share its condemnation of the bank's decision.

Coovadia said on Friday the ANC and UDF were considering the matter and were likely to issue a statement this week.

Hammersma also confirmed that the bank would sponsor a conference in London next month at which speakers including ANC international affairs secretary Thabo Mbeki, Finance Minister Barend du Plessis and Reserve Bank Governor Chris Stals would deliver papers on the future of the SA economy.

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<th>STANDARD Bank moved quickly on Friday to preserve its non-political image and to avert a row with the ANC, UDF and affiliated organisations.</th>
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<td>Anti-eviction group Actstop issued a statement last week saying it would consider withdrawing its account over reports that the bank was barring its staff members from being involved in politics.</td>
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<td>Standard Bank Group MD Conrad Strauss recently sent a memo to management saying that the bank had a strategic advantage in its &quot;perceived political neutrality&quot; and that this must be maintained.</td>
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<td>Actstop spokesman Cas Coovadia said in a statement the organisation believed the bank's definition of political and quasi-political organisations included Actstop.</td>
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<td>After Strauss said on Friday afternoon he had no comment &quot;whatever&quot;, Standard GM Andre Hammersma phoned Business Day to say that he had sorted the matter out with Coovadia and had assured him that the bank never intended to prevent staff members becoming involved in politics.</td>
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**Allow**

Standard would not allow its members to stand for public office on a party political ticket or to solicit party contributions from customers, Hammersma said.

He said it was impossible to prevent members from becoming involved in politics.
interfere with what they do in their private lives. We only insist that their actions outside the workplace don’t embarrass the company.”

Old Mutual actually encourages its staff to become involved in community activities and some of its staff members have become municipal councillors.

First National’s Jimmy McKenzie says it’s necessary for a branch manager to ask permission before he engages in political activity and this is rarely given. “We have to deal with a whole range of people and it’s difficult to take sides.” Clerical staff requests are looked on more sympathetically.

But the political activities of even prominent individuals shouldn’t compromise the business as a whole. Says DP co-leader Zach de Beer, once a director of First National Bank: “I was politically active for the 25 years I spent in business and I’m not aware that there was ever a complaint from anyone we were doing business with, nor did it influence my business decisions. I believe it is the employee’s right to participate in politics. However, I recognise that banks have always taken a tough line on this issue and there may be special circumstances.”

While banks take a hard line, industrial companies don’t feel the same compulsion. Says SA Breweries’ Adrian Botha: “We consider ourselves one of the most progressive companies in the country and far from being politically neutral, we feel it’s important to stand up for a fair nonracial SA and engage in the political process.

“We haven’t stopped our employees from canvassing or raising money for political parties. The issue has never arisen. But, of course, we wouldn’t look kindly on anything that put the name of SAB in ill-repute.”

A Barlow Rand spokesman says the company wouldn’t issue guidelines on political activity to its subsidiary companies.
Back to basics

With the SA Futures Exchange now formally licensed, several training courses are being promoted to encourage the expected build-up of interest in these instruments.

The latest is aimed at investors, executives of major insurers, portfolio managers and back office staff, rather than dealers. Developed by Educa, a Sandton training company, the computer-based course starts from basics and includes colour graphics. It takes 10-12 hours to master, says MD Tony Holness (who is also director of Holcom Futures).

Financial and commodity futures are covered. Though local commodities are not traded in SA, agricultural control boards have shown interest in hedging crops. Local growers can trade on foreign commodity markets with Reserve Bank permission, as does the Maize Board. However, control boards would have to be abolished for a market in local agricultural futures to work properly.

The SA Futures Industry Association (Safia) has developed Compu-pass. A comprehensive software program on a floppy disc, it "will help candidates judge whether they are ready to take Safia's junior dealer exam," says MD Brenda Greyling.

Safia's Introduction to the futures market, on offer since 1989 as a one-day seminar, will soon be available on video. It is designed by Heather McLeod of McLeod Associates.

Progressive Systems College launched a comprehensive six-month Futures & Options correspondence course in November, designed to equip traders for Safia's junior and ordinary futures exams. It also caters for the general investor market in futures and options (not yet formalised). The practical section includes simulated "real-time" deals at ruling market prices. The theoretical side consists of 18 printed lecture modules.
Bankcorp rights offer terms expected today
Senior staffer resigns from Bankorp

The shake-up at Bankorp after Piet Liebenberg took over the helm of the troubled bank has seen the departure of senior GM Jerry van Vuuren, and company sources said last night the bank would probably announce the departure of three more senior staffers this week.

A statement on staff changes yesterday said Van Vuuren had “officially resigned”. A spokesman declined to comment on the reason why Van Vuuren had left, and the latter could not be contacted for comment.

Gert Venter would replace Van Vuuren as senior GM of the Cape area, the statement said.

Other senior staff moves included the appointment of a new CE of TrustBank, Johan Howell, to fill the vacancy left after Chris van Wyk’s departure.

The other vacant position, that of head of group risk management, went to Desantjie Steyn, a former TrustBank corporate banker. This new division was established in June this year to ensure the correct level of risk awareness in Bankorp, and to see to it that all business is conducted in accordance with agreed risk profiles. The division is also responsible for internal audit services.

Executive chairman Liebenberg said the appointments had now rounded off the top team at the new Bankorp.
New Bankorp resignation

ANOTHER Bankorp senior manager — Witwatersrand region chief Gideon Kotze — has quit in what is expected to become a spate of senior staff departures, according to Bankorp sources.

Kotze left yesterday, a day after senior GM Jerry van Vuuren resigned.

A spokesman for the troubled bank, which last week announced a loss of about R360m, declined to confirm the second resignation or to give reasons. A statement on the departures is expected later this week.

Two senior corporate bankers, Gerbie Strydom and Roos Morland, are expected to follow Van Vuuren and Kotze out of the bank. They were apparently locked in negotiations on pay with Bankorp top management yesterday.

Both spent years at TrustBank before a short period with Sembank after executive chairman Piet Liebenberg rationalised the group's corporate banking services into Sembank.

The exodus of senior management began with the resignation of former Bankorp CE Chris van Wyk little more than a month after Liebenberg took the helm.

Before arrival, Van Wyk headed TrustBank and Bankorp — having been forced to take on TrustBank after the shock departure of MD Kobus Roets. Very few senior staff appointments made by Roets and Van Wyk have remained in place.

Departures will not be limited only to senior staff, however, and talk in the market is that Bankorp is looking at cutting about 3,000 staff members.

Bankorp spokesmen have confirmed that the bank wants to reduce staff by an amount "in that region" but have declined to say how many people will be retrenched and to what extent they will rely on natural attrition.

Bankorp's Liebenberg, commenting on the huge loss announced last week, said "injudicious" asset growth which had led to a major bad debt worry was the result of "bad management".
not the principal family breadwinners. They are merely working for a second income. Consequently, you can motivate them to a certain point, but to get them to go beyond that is difficult."

However, independent research has shown the service offered by DC is beyond average. A total of 75% of DC's customers say the service they get is "good" or "excellent" and 75% say it's "good" in relation to other credit card companies they deal with.

"We might have a good service track record," observes Duys, "but it's the other 25% that I'm concerned about. Perfection, of course, is impossible. But my objective is to bring that percentage down to as close to zero as possible."

Duys makes the point that DC has always had something of a reputation for service. Going for a select niche market and having a smaller card base has helped to offer a different type of service to its cardholders. But the standard of service offered in the past was not as sustained or measurable as it is today.

That's mainly because the company now has someone driving the service excellence programme virtually full time. However, staff training often cuts into staff productivity and can be expensive in the long run. But Duys confidently asserts: "It's well worth the cost. For a company like ours it's a recognised cost of doing business. It's not a question of how we afford it or not. We have no choice."

In the past, he says, service standards broke down because of back office snags with computers and faulty systems in general. Most of these bugs have now been ironed out by a heavy investment in new technologies and improved systems which have now been put in place.

One is a new automatic call distribution function which has been installed through DC's PABX system which allows callers to be automatically switched through to the person handling their query. To facilitate its smooth operation, the back office staff have been organized into specific "service hubs."

At DC, training doesn't stop with the junior staff levels, it also extends to senior management. Top management has made a conscious effort to draw as many managers as possible into the decision-making process and many senior managers have overlapping functions.

"I can't make a credit manager out of a marketing man, but I can give him a back-
Bankorp loses two more senior staff

MÁRCIA KLEIN

THE spate of Bankorp's senior staff departures continued yesterday, when Sembank CE Hennie van der Merwe announced the departure of senior GM Gérard Strydom and GM Kees Moorland — whose resignations were not unexpected.

Both are from the banking services department in Sembank — Bankorp's merchant and corporate bank. No reasons were given for the resignations in a statement issued last night.

Strydom is succeeded as head of banking services by former head of Sembank's financial services Estienne du Toit.

The resignations follow announcements this week that two senior TrustBank GMs — Jerry van Vuuren (Cape) and Gideon Kotze (Witwatersrand) — had resigned.

Bankorp's recent announcement of results reflected a loss of R3.6bn at the June year-end. Bankorp executive chairman Piet Liebenberg attributed the loss to a major debt growth following "injudicious" asset growth as a result of bad management.

Liebenberg said in last night's statement the group "does not expect any further departures at these levels".

However, market sources were quoted yesterday saying the departures would not be limited to senior staff, and about 3,000 staff members would go in Liebenberg's rationalisation.
Under 1 000 face Bankorp scythe

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."
Staff can control their career paths

IMPROVING the quality of work life for staff at FNB is central to its success in attracting and retaining skills.

ISD assistant GM, personnel, Noel Agar says the company is actively involved in participative management.

"We're trying to increase employee involvement and career ownership.

"The latter concept is born out of increased involvement and participation, because staff have a say in their career development and planning and are encouraged to believe in their careers.

"This way, they have greater ownership of their careers," he says.

"It is intensifying its career counselling efforts and this is improving the overall quality of work life.

Appraisal workshops are held, with leaders being taught to share vision with their teams and develop their subordinates.

"Human resource management must be practised by line managers who are responsible to their staff."

In 1994, downsizing began. Agar says management during a growth phase is quite different from that when downsizing is implemented.

"During the downsizing period we placed tremendous demand on our managers and found there was a need to address issues such as stress management, time management and shared values.

"For many years, we were in a task-orientated environment, and we're now involved in changing this culture, which is hard to manage, into a more people-orientated environment where there's a better balance between tasks and people."

Reaped

Benefits are already being reaped. Staff turnover has dropped to about 15% over the last eight months compared to an industry average of around 22%.

"Staff are happier because we are integrating our human resource efforts, whether training, assessments or other factors. Staff are assessed biannually and their training needs and aspirations pinpointed."

"But the most important aspect is the attention given to the growth and development of people through more effective human resource management on the shop floor."

"Much attention is placed on extra-mural study, which is sponsored by FNB and can include management development courses at universities or international secondments for specific project training and building leadership competency among staff."

"To support this, the bank has some of the best training facilities in SA."

Its Sandown-based management training centre is geared to teach management skills, while its Selby- and Randburg centres offer more IT skills-specific training using interactive video techniques. FNB's new training facilities are among the most advanced in SA.

"Video libraries are also available for staff to train in their own time."

"Agar says "With the supply and demand of IT staff so out of killer, people are sometimes promoted beyond their capabilities."

"This impacts on their growth and development as well as that of their subordinates. We are trying to prevent unnecessary over-promotion and are paying more attention to the selection process."
Bid to boost electronic salaries

DURING the next year, FNB is concentrating on encouraging its payroll service clients to convert weekly paid employees to monthly, allowing employees to draw cash from ATMs.

But more important is the ongoing effort to persuade companies and individuals to switch from paper-based to electronic cash transactions.

Senior manager, special projects and marketing, Richard Butcher says FNB’s computerised payroll bureau services have proved more cost effective for customers than self-generated payroll systems, which are often paper-based.

The bank’s payroll services grew out of its customer computer services division, which started computerising staff salaries in 1975.

This became a bureau operation, taking on outside customers.

Products offered are Interpay, Persodata, Creditlink, Debitlink, Magtape and Auditlink.

Interpay is the largest monthly paid bureau in SA, processing about R8 billion payrolls each year.

The customised service is suitable for any sized company.
ALLIED Group's MD Kevin de Villiers and chairman Norman Alborough have appeared on an internal television broadcast in an effort to allay growing uncertainty among staff.

Personnel were unsure of the group's future after news that it was to hold talks with Rembrandt on rationalising the latter's interests in the Allied, Sage, UBS and Volkskas. The battle between De Villiers and Sage chairman Louis Shill had contributed to unease.

Staff who watched the broadcast said De Villiers and Alborough stressed that the Allied would enter talks with a view to seeing "whether there was anything in it for the Allied".

Some interpreted the broadcast as an indication that De Villiers wanted to fight against the Allied losing its identity by disappearing into a larger financial institution. Some felt the message was that retention of Allied's name was important.

"De Villiers and Alborough stressed this was just 'talks about talks' and said it would only become clear in three to four weeks whether there was any point in getting serious about the merger moves. They said they would not sell out staff or the shareholders of the group," a staff member said.
Broking firms face harsh recession as turnover dips

SOME broking firms are facing their worst recession since the bear market of the early '70s as turnover on the market slides to abysmally low levels.

The result has been staff cutbacks across the board, mainly by "natural attrition" but also by retrenchments as the firms struggle to trim costs. Senior staff are among those believed to have taken salary cuts of up to 20%. And many are not expecting Christmas bonuses.

Cutbacks in the industry follow steadily declining volumes and values on the JSE. Volumes have sunk to around 5-million shares daily from 7-million a month ago, affecting turnover which has been halved to a daily R35m this week from September 1. This compares with the R75m to R85m a day with which most firms are "comfortable" in order to cover costs, and trade of more than R100m a day during the 1987 boom.

Max Pollock & Freemantle senior partner Dave Shapiro, whose firm "retired" 10 backroom people last week, estimates there has been a cut of 10% to 15% in staff levels in the broking community this year.

"But it's been a case of natural attrition at the clerical, admin and junior levels than at the broker level. This is because greater efficiencies on the admin side have reduced the strain there," he says.

Frankel Kruger Vinderine (FKV) senior partner Leslie Frankel denies his firm has retrenched staff. He says only three employees have left in the past month — of their own accord — and that this is normal in the circumstances. In fact, FKV will be announcing an "extension of its base" within the next two weeks, he adds.

"There's a lot of movement and rationalization in the industry now because, with inflation, salaries and expenses are up tremendously and there are no volumes to support expenses that have arisen," he says.

A spokesman for a medium-sized firm, who did not want to be named, says those with a sharp institutional focus are generally remaining in the black.

"But the industry could do with a movement on gilt rates and a higher gold price — something to spark things off on the JSE."

The latest move among investment analysts is that of Frankel, Kruger Vinderine mining analyst Keith Bright, who says he is leaving the firm "for greener pastures". Talk is that he will be joining Edey, Rogers & Co on November 1. And Ed Hendricks mining analyst and head of research Tom Dale is reported to be leaving the firm to join Gemm.
Fears of large-scale retrenchments as new breaking giant emerges on JSE
Curators at Alpha Bank plan major retrenchments

Greta Steyn

ALPHA BANK's curators Ernst & Young plan to retrench "a large percentage" of the small bank's 35-man workforce, a spokesman said yesterday.

The Reserve Bank-appointed curators, who have to manage the bank at least until all depositors have received their money back, are looking at ways to cut back operations and reduce costs.

"The management could last another year as Alpha MD Charles van der Walt said some deposits expired only in a year's time. Ernst & Young's Lieb van Jaarsveld said it was too early to say whether Alpha would close its doors."

Meanwhile, Finance Minister Barend du Plessis has responded to the rumours of trouble at other small banks by saying: "In view of the fact that the financial system is to a large extent based on trust, it is of the utmost importance that it be realised that such unfounded rumours concerning the security of banking institutions are not conducive of stability and can only be to the detriment of depositors and of market conditions in general."
SEVENTY people have been retrenched as a result of the merger of stockbroking firms Frankel Kruger Vinderine and Max Pollak \& Freimanie.

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 earlier 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.
CIB lays off 25% of Jo’burg employees

ROBERT GENTLE

CAPE Investment Bank (CIB) has laid off over 25% of the staff of its Johannesburg office in a bid to cut overheads and reduce costs in the trading depression.

Twelve out of 40 people will be leaving. They include the entire futures trading section of four, four out of five people from the capital market’s section and four from administration. The money market team remains unchanged.

Furthermore, to save on administration costs, CIB will be handling its own settlement operations instead of relying on Nedbank.

CIB MD Andy Swartz, speaking from Cape Town, yesterday confirmed the cutbacks, but firmly rejected market talk of “redundancies at the main office in Cape Town. “There is definitely no such plan,” he said.

Explaining the elimination of the Johannesburg futures operation, Swartz said that Cape Town was servicing the bank’s client base efficiently and that there was no need for duplication.

He called the overall decision a strategic one based on prudent commercial requirements given the flat state of the market and the likelihood that it would remain so in the foreseeable future.

“This is a very painful exercise because we are dealing with people,” Swartz said.

CIB office head, Andre Pretorius, regretted the cutbacks, but said the scaled-down outfit should be leaner and fitter. He said excess staff was partly attributable to “overflow” from the Corbank deal.
Bank salary hikes 20%—plus

From DEREK TOMMEY (57)
JOHANNESBURG. — Banks led building societies and insurance companies in salary increases in the year to June, figures issued by Central Statistical Services show.

But insurance sector salaries, although behind those in the other two sectors, remained marginally higher.

Figures show that the average bank salary rose 21.5 percent in the 12 months to June, the average building society salary 19.1 percent and the average insurance salary 13.7 percent.

The average white banking salary rose 22 percent from R2 185 a month to R2 655 a month, the average coloured salary 21.7 percent to R1 796, the average Asian salary 23.2 percent to R2 135 and the average black salary 22.3 percent to R1 429.

Building societies paid their white staff an average of R2 541 a month, an increase of 19.1 percent on a year ago. Coloureds received an average of R1 592 a month, an increase of 19.8 percent. Asians received an average of R1 327, an increase of 17.8 percent and blacks an average of R1 095, an increase of 19.8 percent.

The average white salary in the insurance industry was R2 795 a month, an increase of 13.5 percent. Coloureds were paid an average of R1 715, an increase of 21 percent. Asians received an average of R2 439, an increase of 12.5 percent. The average black salary was R1 623, a 14.6 percent increase on a year ago.

Labour officials warned that too much should not be read into the average wage figures. They included salaries and wages paid to men and women and to people with vastly different skills and abilities. They also reflected regional variations in wage rates.

But they admitted percentage increases could be regarded as a reasonable guide to pay rises in these three sectors in the year to June.
Stockbrokers lay off staff as hard times squeeze JSE

The Argus Correspondent
JOHANNESBURG—Stockbrokers laid off more than 70 people as the Johannesburg Stock Exchange experienced one of its most difficult times for decades.

In the past two and a half years the money flowing into the stock exchange has been insufficient to cover the stockbrokers’ rising costs and many have been operating at a loss.

Brokers say this investment depression could continue for some time. This means that the jobs of many other stockbroking employees could be threatened.

This week’s layoffs came from two major stockbroking firms which are in the process of merging. But brokers say this is not the last of the mergers and further blood-letting is likely.

Firms simply have to cut costs, a broker said. So people who are not needed when sales volumes drop, such as administrative workers and dealers, are right in the firing line.

But it is not only the lowly-paid and junior workers who are being asked to leave. “Cutting the number of highly paid staff has a marked impact on the wage bill,” a broker said.

However, he cautioned against reducing research staff. “If the institutions feel that the quality of your work is falling off they will leave you in the lurch.”

WORST SINCE 68

Old-timers say the stock market slump could be the worst since the early 1960s when turnover tumbled in the aftermath of the Sharpeville shootings and the resultant huge flight of capital from the country. This time there is no Sharpeville to blame, which raises the question as to what has gone wrong this time?

Brokers cite many factors including the loss of confidence by many investors in the share market since the 1987 share market collapse, poor economic prospects here and abroad, political uncertainty, the Middle East crisis, the American budget fiasco and so on.

But probably the most important factor has been the steep increase in interest rates in the past two and a half years.

For some time the stock exchange has not been getting enough investment or speculative money to keep it going at its pre-1987 levels. Examining the effects of these high interest rates make it easy to understand why.

Between the end of 1987 and the end of 1989 the average mortgage rate rose from around 13 percent to 20.5 percent. In the same period the 32-day deposit rate doubled, rising from 9.75 percent to 19.5 percent.

MORTGAGE RATES

This jump in the mortgage rates hit the ordinary house-buyer hard. House-buyers were paying back some R3.5 billion a year to the building societies in mortgage repayments in 1987. Last year the same people had to repay some R6.9 billion—a 70-percent increase.

If instalments on bank mortgages is included, house buyers probably have had to find an extra R3 billion a year since 1987.

This has been a major additional burden for most people. It has eaten sharply into their disposable incomes and, as the high interest rates persist, probably into their savings as well.

Their resultant lack of money, together with all the other still-remembered shock of seeing their investments halve in value in the 1987 share market collapse, is keeping the ordinary individual out of the share market.

Between September 1987 and February 1988, the market values of shares listed on the JSE fell more than 40 percent. At the end of September shares listed on the JSE were worth R387 billion.

By the end of February their worth had dropped almost R130 billion to around R259 billion. Part of this decline may have been “paper” losses for the big institutions. But many small investors lost their shirts.

Today it is clear that the small investor finds it more profitable and secure to invest what funds he has in the money market at 19.5 percent.

INSTITUTIONS

But he is not the only one to do this. The institutions have also been investing on a huge scale in the money market—and it is this which is probably the real reason for the share market’s problem.

Reserve Bank figures show that between the end of 1987, when interest rates started to move up, and the end of June this year some R57 billion poured into commercial bank deposits to take advantage of the extremely attractive rates being offered.

This was more than four times the R13 billion paid into the banks in the previous two and a half years.

Undoubtedly, if interest rates had remained low, at least some of this money would have flowed to the share market. Had even a quarter of this money been invested in shares, conditions on the JSE undoubtedly would have been much more prosperous.

However, the JSE has considerable cause for optimism for the future. Lower interest rates—and they must come down eventually—should enhance the attraction of share investment and reduce that of fixed deposits.

This should lead to a return of money to the share market, and possibly also to the re-hiring of some of those who were laid off, say brokers.
Mutual offices picketed

UMTATA. — Old Mutual workers picketed their offices yesterday as a strike by white-collar employees continued into its fourth day.

Report by Open Correspondent, Cape-Telegram AP and UPI.
Retrenched workers get helping hand

By JOSHUA RABOROKO

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 vitae 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.
No end in sight for Old Mutual strike in E Cape

By SHARON SOROUR
Labour Reporter

THE strike by about 300 Old Mutual workers in the Eastern Cape has entered its fifth week, with no date in sight for a second round of negotiations.

Company assistant-general manager (personnel) Mr Theo Hartwig said management was still waiting for the strike committee to set a date for the talks.

"At a meeting last month the strike committee indicated that too many of their grievances were unresolved for a call to return to work to be made. They said they would contact us about a follow-up meeting. We are still waiting."
Picket on wheels!

OLD Mutual workers have resorted to a unique form of picketing: placards and posters are stuck on the workers' cars which are parked in front of the company offices in the city centre.

A spokesperson for the workers' committee, Mr Lizo Mantelli, said workers were using this new method as the company had obtained an interdict earlier which prohibited striking workers from picketing outside the building.

There is no end in sight to the strike, which began five weeks ago.

According to the committee, the workers would be prepared to suspend the strike if any concrete proposals on their demands on wages and working conditions were made.

The striking workers have meanwhile canvassed for national support for their strike and say they have received a positive response.

Old Mutual's assistant general manager, Mr Theo Hartwig, suggested that the strikers set a date for a second round of talks. In a statement, the company said they did not recognise the committee representing workers as a bargaining unit.

Old Mutual nevertheless remained willing to talk to the committee in the interests of the staff.

Workers are demanding:

- The improvement of working conditions such as ending favouritism and racism;
- An improvement in the pay structure, motor scheme and housing subsidies;
- Improved education opportunities such as bursaries, specially for black workers and their dependants. — PEN
Cars hold a 'picket' outside Old Mutual

By XHOMVONQONYELA. Port Elizabeth

STRIKING workers at Old Mutual have found a unique way around a
temporary court interdict prohibiting them from picketing: they park their cars
covered in posters and stickers outside the company's offices.

Since Monday, the workers have parked about 10 cars outside the Old
Mutual every morning.

The cars carry posters and stickers with slogans like: “Care for our com-
munities” and “Give equal opportunities to all.” — Penta
Old Mutual strike ends

A SIX-WEEK strike by 300 Old Mutual insurance workers in the Eastern Cape, Ciskei and Transkei ended on Thursday, company spokesman Mr Chris Prophet said yesterday.

The white-collar staff at eight branches went on strike to back demands for improved conditions and to protest against alleged racist employment practices.

Mr Prophet declined to divulge details of the settlement with the Eastern Cape Old Mutual Workers' Committee. — Sapa
Two mines placed at Old Mutual building

QUEENSTOWN. — A mini-limpet mine exploded at the offices of Old Mutual here early yesterday morning, while a second mini-limpet mine nearby was detonated by police.

No one was injured in the blast, but about 90 window panes in the Old Mutual building and in buildings in the vicinity were shattered.

A police spokesperson said the explosion occurred at 5.07am in a small lane at the back of the Old Mutual building. The mine had been placed against an air-conditioning unit.

After the blast the police found another mine nearby, which was subsequently detonated.

No arrests have as yet been made.

Police could not confirm yesterday whether the blast had anything to do with the six-week-old strike of Old Mutual employees in the Eastern Cape, Ciskei and Transkei.

The blast came in the wake of a decision by the workers to return to work yesterday. — Sapa
FOCUS ON BLACKS
pays off for FNB

BY DAVID CARTE

FIRST NATIONAL BANK, whose profits and share price outstripped those of most banks this year, has seen the vindication of policies adopted in earlier years.

So say chairman Basil Hersov and managing director Barry Swart in their joint annual review.

While other banks have gone up-market in pursuit of yuppies and other A-income earners, mainly whites, FNB appears to believe its focus on black customers is paying off.

It also seems to be reaping the rewards of perseverance with its troublesome Hogan computer system.

Mr Hersov and Mr Swart say the "mass market" is fast becoming one of the most dynamic segments and that "many intruders have been made in this respect."

Links

The activities of the Small Business Unit, the Property Finance Department and Wesbank, which has established links with the Foundation of African Business and Consumer Services (Fabcos) and the SA Black Taxi Association (Sofita), are setting a sound foundation for growth.

Similar relationships have been established with the African Council of Hawkers and Informal Business (Achib) and certain branches of the bank.

First National lifted earnings to R53.3c last year from R7c in the previous year. With cover raised from 2.8 to 3, the total dividend was improved by 20% to 156c.

"The sustained improvement in the share price during the period under review is evidence that policies of consolidation were well received by the investment community."

Doubtful

Mr Hersov and Mr Swart maintain that FNB's compliance with the Reserve Bank's request for limited growth in balance sheets cost it market share because some failed to heed the plea.

High interest rates resulted in an increase in bad and doubtful debt provisions.

say Hogan has settled down.

The purchase of a stake in Hogan by IBM and the inclusion of its applications as part of IBM's world-wide banking applications architecture has given First National's pioneering work a stamp of approval with regard to strategic direction.

FNB ordered 7,000 IBM personal computers together with other equipment from NCR and Olivetti to facilitate the provision of information at the bank counter. Lacking these with the real-time Hogan systems will make FNB a leader in financial services.

Mr Hersov and Mr Swart say the new Deposit-Taking Institutions Act aims to place financial institutions on the same financial footing and to bring legislation on capital and reserve requirements in line with world standards.

Minimum

The Act obliges banks and building societies to raise minimum cash and liquid assets reserve requirements and to increase capital and unimpaired reserves to 8% by January 1995. FNB believes it will benefit by last year's restraint in balance sheet growth, but continued profit retentions will be needed.

The bank expects to be exempt from VAT, but says it will raise costs slightly. The proposed withholding tax on interest payable to individuals and changes to Section 24 tax allowances affecting savers' sale will also increase costs.

With the Reserve Bank determined to achieve lower inflation and lower money-supply growth, prospects are for low growth in the current year. But FNB expects to increase its balance sheet faster. It also expects to reduce provisions for bad debts, maintaining interest margins will be vital, as will be containment of non-interest costs.

Attrition

The number of employees has shrunk by attrition by 400 to 23,552, 22,000 of whom are operational staff.

Mr Hersov and Mr Swart are encouraged by political developments. They insist, however, that it would be in nobody's interests to place at risk the group's capacity to be profitable.

"Indeed, our principal task must be to generate profits through the excellence of the service we offer." Considerable detail is given on the group's social investment and its role as an equal-opportunity employer.

The number of black employees in the position of department head or higher increased from 183 in 1986 to 559 in 1990, of whom 39 were of managerial rank.
FINANCE - LABOUR

1991
Attention is drawn to the following requirements of section 4 of the Act:

(a) The representativeness of any employers' organisation/trade union which objects to the application shall in terms of subsection (4) be determined on the facts as they existed at the date on which the application was lodged and, as far as membership is concerned, only members who were in good standing in terms of section 1 (2) of the Act as at the aforesaid date shall be taken into consideration.

(b) The procedure laid down in subsection (2) must be followed in connection with any objection lodged.

D. W. JAMES,
Industrial Registrar.
(11 January 1991)

NOTICE 17 OF 1991
VAALHARTS CANAL ENLARGEMENT: WARRENTON

It is hereby notified that as a result of the enlargement of the Vaalharts canals it is necessary to exhume and reinter the remains of persons buried in the canal area on the farm Fourteen Streams 311 in the District of Warrenton, Province of the Cape of Good Hope.

Any person who, by virtue of kinship with the deceased has an interest in the matter is hereby requested to communicate with in one month of the date of publication of this notice with the—

Resident Engineer
Vaalharts Canal Enlargement
Department of Water Affairs and Forestry
Private Bag X15
JAN KEMPDORP
8550.
[Telephone number (0533) 61134].
(11 January 1991)

NOTICE 18 OF 1991
SOUTH AFRICAN RESERVE BANK
SECTION 12 (1) OF THE BANKS ACT, 1965
CHANGE OF NAME.—SANTAMBANK LIMITED

It is hereby notified for general information that Santambank Limited, a registered bank, has changed its name to Bankfin Limited on 1990-12-24.

(11 January 1991)

NOTICE 19 OF 1991
SOUTH AFRICAN RESERVE BANK
SECTION 12 (1) OF THE BANKS ACT, 1965
CANCELLATION OF REGISTRATION.—CENTRAL MERCHANT BANK LIMITED

It is hereby notified for general information that the registration of Central Merchant Bank Limited, as a bank, was cancelled on 1990-12-31.

(11 January 1991)
NOTICE 16 OF 1991
DEPARTMENT OF MANPOWER
LABOUR RELATIONS ACT, 1956
APPLICATION FOR REGISTRATION OF
A TRADE UNION

I, David William James, Industrial Registrar, do hereby, in terms of section 4 (2) of the Labour Relations Act, 1956, give notice that an application for registration as a trade union has been received from the Banking, Insurance, Finance and Assurance Workers' Union. Particulars of the application are reflected in the subjoined table.

Any registered trade union which objects to the application is invited to lodge its objection in writing with me, c/o the Department of Manpower, 123A Manpower Building, 215 Schoeman Street, Pretoria (postal address: Private Bag X117, Pretoria, 0001), within one month of the date of publication of this notice.

<table>
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<tr>
<td>Name of trade union: Banking, Insurance, Finance and Assurance Workers' Union.</td>
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<tr>
<td>Date on which application was lodged: 12 July 1989.</td>
</tr>
<tr>
<td>Interests and area in respect of which application is made: All Black persons employed in the Financial Institutions Undertaking in the Magisterial Districts of Johannesburg and Pretoria.</td>
</tr>
<tr>
<td>&quot;Financial Institution&quot; shall mean a banking institution registered in terms of the Deposit-taking Institutions Act, 1990 (Act No. 94 of 1990);</td>
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<tr>
<td>a building society registered in terms of the Building Societies Act, 1988 (Act No. 82 of 1988), and/or in terms of the Mutual Building Societies Amendment Act, 1986 (Act No. 81 of 1986);</td>
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<tr>
<td>an insurer registered in terms of the Insurance Act, 1943 (Act No. 27 of 1943);</td>
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<tr>
<td>a pension fund organisation registered in terms of the Pension Funds Act, 1956 (Act No. 24 of 1956);</td>
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<tr>
<td>a friendly society registered in terms of the Friendly Societies Act, 1956 (Act No. 25 of 1956);</td>
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<tr>
<td>a board of executors or a trust company or any other company which invests, keeps in safe custody, controls or administers any trust property;</td>
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<tr>
<td>a unit trust scheme as defined in the Unit Trusts Control Act, 1981 (Act No. 54 of 1981);</td>
</tr>
<tr>
<td>a manager who controls or administers a scheme in terms of the Participation Bonds Act, 1981 (Act No. 55 of 1981).</td>
</tr>
<tr>
<td>Postal address of applicant: P.O. Box 61196, Marshalltown, 2017.</td>
</tr>
<tr>
<td>Office address of applicant: Suite 504, 24 Ferreira House, Ferreira Street, Johannesburg, 2001.</td>
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KENNISGEWING 16 VAN 1991
DEPARTEMENT VAN MANNEKRAG
WET OP ARBEIDSVERHOUDINGE, 1956
AANSOEK OM REGISTRASIE VAN 'N VAKVERENIGING

Ek, David William James, Nywerheidsregisseur, maak ingevolge artikel 4 (2) van die Wet op Arbeidsverhoudinge, 1956, hierby bekend dat 'n aansoek om die registrasie as 'n vakvereniging ontvang is van die Banking, Insurance, Finance and Assurance Workers' Union. Besonderhede van die aansoek word in onderstaande tabel verstrek.

Enige geregistreerde vakvereniging wat teen die aansoek beswaar maak, word versoek om binne een maand na die datum van publisasie van hierdie kennisgewing sy beswaar skriflik by my in te dien, p/a die Departement van Mannekrag, Mannekragebou 123A, Schoemanstraat 215, Pretoria (pasadres: Privatsats X117, Pretoria, 0001).

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<tr>
<td>Naam van vakvereniging: Banking, Insurance, Finance and Assurance Workers' Union.</td>
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<tr>
<td>Datum waarop aansoek ingediend is: 12 Julie 1989.</td>
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<tr>
<td>Belange en gebied ten opsigte waarvan aansoek gedoen word: Alle Swart persone in diens in die Finansiële Instellingsonderneming in die landdorsdistrikte Johannesburg en Pretoria.</td>
</tr>
<tr>
<td>&quot;Finansiële Instellings&quot; beteken 'n bankinstelling geregistreer ingevolge die Wet op Depositonemende Instellings, 1990 (Wet No. 94 van 1990);</td>
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<td>'n bouwvereniging geregistreer ingevolge die Wet op Bouwverenigings, 1986 (Wet No. 82 van 1986), en/of ingevolge die Wysigingswet op Onderlinge Bouwverenigings, 1986 (Wet No. 81 van 1986);</td>
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<td>'n versekeraar geregistreer ingevolge die Versekerringswet, 1943 (Wet No. 27 van 1943);</td>
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<td>'n pensioenfondsorganisasie geregistreer ingevolge die Wet op Pensioenfondse, 1956 (Wet No. 24 van 1956);</td>
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<td>'n onderlinge hulpvereniging geregistreer ingevolge die Wet op Onderlinge Hulpverenigings, 1956 (Wet No. 25 van 1959);</td>
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<td>'n eksekutorskamer of trustmaatskappy of enige ander maatskappy wat beleggings maak of enige trust eiendom of -goed in veilige bewaring hou, beheer of administrer;</td>
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<td>'n effekte-trustskema soos omskryf in die Wet op Beheer van Effekte-trusteskemas, 1981 (Wet No. 54 van 1981);</td>
</tr>
<tr>
<td>'n bestuurder wat ingevolge die Wet op Deelnemingsverbande, 1981 (Wet No. 55 van 1981), 'n skema beheer of administrer.</td>
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Sit-ins start over collective bargaining

Labour Reporter 7/2/81

Metropolitan Life employees throughout the country have started industrial action over the collective bargaining structure between the company and the Commercial, Catering and Allied Workers' Union.

Company spokesman Mr. Noel Breakey said workers at some branches, mostly on the Reef, started sit-ins yesterday.

The dispute revolved around the collective bargaining structure.

Metropolitan Life viewed field staff and indoor staff as separate, identifiable groups of employees, each with a set of different working conditions.

"It is therefore the company's opinion that collective bargaining should occur in two bargaining units, one for field staff and one for indoor staff."

"The union, on the other hand insists on one bargaining unit for all its members at Metropolitan Life, irrespective of whether they are indoor staff or field staff," Mr. Breakey said.

He said attempts to resolve the dispute through mediation and at a conciliation board had failed.

"But negotiations would continue in spite of the industrial action and the company's business would also continue," he said.

The union could not be reached for comment.
Insurance workers' dispute

Over 1 000 Metropolitan Life workers around the country, most of them members of the SA Commercial, Catering and Allied Workers' Union, have downed tools in a dispute over the company's refusal to accept union proposals of a single bargaining unit.

In a statement, the union said it was due to meet company directors yesterday to discuss the outcome of a ballot in which most workers had approved strike action, as well as the alleged harassment of workers during balloting.

Saccawu said the company's view that indoor and outdoor staff should have separate bargaining units was unacceptable. "We are opposed to any division of workers," it said.

The union's programme of action included sit-in strikes and picketing, climaxing in a nationwide protest march on February 12.

Reports from Weekly Mail staff
Strikers sit-in at Met Life

CAPE TOWN. — Metropolitan Life employees on the Rand spent Thursday night in their offices as a widespread sit-in over bargaining forums entered its third day yesterday.

Company representatives met a delegation from the SA Commercial, Catering and Allied Workers Union for nine hours on Thursday night, but failed to end the deadlock, said Saccawu spokesman Mr Boyboy Giba.

Non-union members had joined the dispute and more than 1,500 insurance and office staff countrywide were on strike, he claimed. — Sapz.
Bankorp Properties' staff worried about losing jobs

UP to 750 staff of Bankorp Properties are concerned they will lose their jobs in view of a pending deal to merge the operation with Sanlam's property division.

Mr Paul Kruger, managing director of Bankorp Properties, this week refused to comment on the issue as, he said, negotiations were in progress. He said he was "surprised" that staff had aired their worries. He would not confirm staff numbers at Bankorp Properties.

Mr Hendrik Bester, managing director of Sanlam Properties, said it was not policy to comment on whether negotiations were taking place or not.

According to employees, the target date for the companies to be pulled together is April 1.

They had been assured that every effort would be made to find them jobs at Sanlam.

"However we know that Sanlam's operation is already full. Every job here has a duplicate at Sanlam," an employee said. Neither was there much prospect of employment at other property firms, the employee said on condition of anonymity.

"What we are most concerned about is whether staff will get decent severance pay."

Mr Kruger confirmed that already some key former Trust Bank Durban buildings, including Commercial City and Overport City, had earlier been bought by Sanlam Properties.

Trust Bank's property division was earlier absorbed into Bankorp.

Other buildings said to be in the local Bankorp portfolio include Hofmeyer Heights, 197 North Ridge Road and Brickhill Towers, in Durban.
Anglo retrenches head office staff

Johannesburg. — An undisclosed number of Anglo American head office employees received notice of retrenchment or forced retirement on Friday.

Anglo American staff say 300 head office employees, some fairly senior, lost their jobs last week, but management maintains the figure is "not half that amount".

The corporation would not disclose the exact number of people affected and responded to questions about its rationalisation with the following statement:

"Anglo's head office has been conducting its annual budget review. The profits have reflected the overall state of the economic climate and in particular the very difficult position of gold mines to which Anglo's head office provides services.

"Consequently, the guidelines set for the budget this year were a zero increase in real terms, even after provision had been made for salary and wage increases. A number of steps have been taken to meet this target, the last of which are retrenchments."

Management said the rumoured figure of 300 was highly inflated and less than half this number of employees would be affected. Of these, most were early retirements.

A company spokesman said the rationalisation was not being done in one fell swoop, and that more notices might follow. However, the total figure was unlikely to be more than 150."
Staff seals exits in office sit-in

ABOUT 40 insurance agents and clerks tried to occupy the Metropolitan Life offices in Burg Street last night, trapping managers inside the building for at least 1½ hours.

The managers, who had hastily locked the garage doors and main entrance to keep workers out earlier in the day, were unable to get their cars out of the garage and were forced to leave by a side entrance.

SA Commercial, Catering and Allied Workers' Union spokesman Mr Goodman Socikwa said the managers would not open the garage doors because they feared workers would storm the building. But workers would not give up the idea of occupying the building and the strike would continue today.

Some 2 500 clerks and insurance agents yesterday held sit-ins countrywide and in Transkei, occupying the offices overnight, said Mr Socikwa.

He said the workers declared an industrial dispute on Wednesday when management refused to agree to have one centralised bargaining unit.

The head of the company's public relations department, Mr Phil Solomon, said management agreed to centralised bargaining but wanted the system of one for commissioned workers (agents) and another for salaried workers (clerks) to remain.

He said employment conditions and salaries differed for commissioned staff and salaried workers.
Workers try to occupy life insurance offices in city

Labour Reporter

There was a strong police presence outside Metropolitan Life's head office today as striking workers tried to occupy the company's Church Street building.

At least three people were arrested, including SA Commercial, Catering and Allied Workers' Union (Sacawu) spokesman Mr Goodman Socikwa.

About 100 workers — part of a 1,500-strong nationwide strike in support of a single national bargaining unit — gathered outside the Burg Street entrance about 3pm yesterday.

But Metropolitan locked the garage doors and the main entrance to prevent the strikers from staging a sleep-in. Several managers who were trapped inside the building last night had to leave by a side entrance and call a taxi.

The strikers gathered outside the building about 6am and blocked the entrances, preventing employees from entering the building. Police arrived about 8.30am.

The workers, mostly Sacawu members, dispersed some two hours later.

Company spokesman Mr Phil Solomon said the dispute revolved around the collective bargaining structure.

Metropolitan Life regarded its indoor staff, administrative workers and cleaners — and field staff, who were consultants, as two separate groups of employees each having different working conditions.

He said: "The company believes that collective bargaining should occur in two bargaining units, one for field staff and one for indoor staff."

But while the union insisted on one bargaining unit for all its members, Metropolitan was only prepared to recognise Sacawu as the bargaining agent for field staff, he said.

The exciting ne
1,000 picket insurance firm's offices

By Shareen Singh

Insurance workers on strike at Metropolitan Life yesterday picketed company offices nationally to support their demand for a single bargaining unit for all workers.

'About 1,000 insurance consultants, administrative staff and cleaners went on strike last Thursday.

'Three attempts to resolve the dispute through mediation and conciliation board had failed.

'Company spokesman Noel Brearley said Metropolitan Life's indoor staff — administrative employees and cleaners — and its consultants who were field staff, had different working conditions. The company believed collective bargaining should be in two units.

'Field staff do not get a basic salary and work on a commission basis. It would not be viable to have a single bargaining unit for all workers, he said.

'The South African Commercial Catering and Allied Workers Union (Saccawu) argued that its members comprised both field staff and indoor staff.

'Having two bargaining units would divide the workforce and weaken the union's bargaining power, a spokesman said.
Strikers arrested at Metropolitan Life head office

A GROUP of Metropolitan Life employees was arrested after a demonstration outside the company's Cape Town head office yesterday as the strike by several hundred workers approached its second week.

Several hundred Metropolitan employees, all members of the SA Commercial, Catering and Allied Workers' Union (Saccawu), have been on strike since last week over the company's refusal to accept union proposals for a single bargaining unit.

Metropolitan spokesman Phil Solomon yesterday confirmed police arrested "three or four" strikers.

VERA VON LIERES

He said the company had not ordered the arrests, which took place because employees were allegedly standing in a restricted area.

He estimated that about 500 Saccawu members were on strike, although a union spokesman put the figure at more than 1,000 members.

In a statement, the company said a four-day sit-in by 120 workers at the regional offices in Johannesburg had ended after the Supreme Court granted an eviction order on Monday.

Metropolitan said it believed that commissioned employees and salaried employees were separately identifiable groups.

Collective bargaining should therefore occur in two bargaining units. Saccawu has demanded a single bargaining unit for commissioned staff and salaried employees, saying any other arrangement would be an attempt to divide workers.

Previous attempts to resolve the dispute through mediation and at a conciliation board had failed.

A Saccawu spokesman said workers yesterday staged a march to Metropolitan's regional offices in Durban.
Bank sector burdened by over-staffing

The banking sector is over-serviced, under-capitalised and under-profitable, says Bankorp Holdings executive chairman Piet Liebenberg. "

Mr Liebenberg, speaking at the conference yesterday, said that the most serious dimension of over-banking in South Africa was over-staffing.

Employment growth had far outstripped the relatively stagnant market for banking business.

The level of real bank credit per bank employee fell by 20 percent from 1978 to 1989.

Mr Liebenberg said that in 1991 South Africa could be on the threshold of normalised international economic and financial relationships resulting in a lengthy domestic upswing.

He warned, therefore, that it would be counter-productive to slash the banking sector at this stage.

Rationalisation

There was no doubt in his mind that the banking system was under-capitalised, while its real rate of growth for the decade did not compare well with blue chips in other sectors quoted on the Johannesburg Stock Exchange.

Commenting on rationalisation in the sector, Mr Liebenberg said that after the proposed Volkskas/United/Allied/Sage merger, there would be limited scope for another major rationalisation.

The big players by then would be neatly partitioned within the camps of major investment groupings.

"This will provide a certain amount of stability and consequently also provide reassurance for investors and depositors," he said.

Some of the smaller specialist banks would always find a niche in the market and perform a useful function, Mr Liebenberg said. "Sapa"
Insurer's court order brings sit-in to end

A COURT battle is looming between Metropolitan Life and Saccawu after management evicted through an interdict 120 workers staging a sit-in strike at its Johannesburg office.

Union official Mr. Stanley Mgomezulu said yesterday a Rand Supreme Court hearing was scheduled for March 5 when Saccawu would challenge the order.

The sit-in had lasted four days up to Monday night.

At the centre of the dispute - which affects more than 1,000 Metropolitan agents countrywide - is the refusal by management to accede to the union's demand for a single bargaining unit.

Dispute

In a statement issued yesterday, management said in its view commissioned and salaried employees were two identifiable groups, each with a set of differing working conditions.

Therefore, it said, collective bargaining should occur in two units.

Saccawu said the company's insistence on the two bargaining units was unacceptable and likely to divide workers.

The dispute which dates back to last August deepened after mediation talks on January 14 failed to resolve the matter with the workers subsequently voting for the strike and other forms of protest.

Metropolitan yesterday said it was still committed to negotiating the dispute.
Metlife takes court action

Workers at Metropolitan Life who belong to a union were yesterday forbidden to gather at the company's offices in Burg Street.

In terms of an interim order granted to the company, members of the SA Commercial, Catering and Allied Workers Union may not occupy the offices, obstruct the entrances, affect company operations or interfere with any employee.

They also may not organise any action at Metropolitan's offices or enter them unless to work.

The union has until February 19 to reply.
Supreme Court order to stop canteen sit-in

By JOHN VILJOEN
Supreme Court Reporter

A COAL merchant has obtained a Supreme Court interdict ordering 27 former employees dismissed for a “go-slow” to end a sit-in in the employees' canteen at his Maitland premises.

In papers Mr Gerald Hoberman, a director of Cape Coal, said the 27 were dismissed on Monday after persisting with an illegal “go-slow” action which started last Friday.

Their action was severely disrupting business, he said. Cape Coal could be termed an essential service as it supplied hospitals and other institutions. A shortage of coal at hospitals could disrupt services and threaten patients' health.

The 27 were found guilty at a disciplinary hearing of taking part in the go-slow and refusing to obey lawful instruction.

On Wednesday they returned to the company premises, saying they were returning to work, but were told they were trespassing because they had been dismissed.

They were asked several times to leave but refused to do so, Mr Hoberman said.

The company's coal stacks needed to be continually sprayed with water to prevent pollution. No one was available for this task and a haze of coal dust was causing concern among Cape Town city council pollution officials.

"Tension and emotions" were running high because of the workers' presence and "violence could break out at any moment", he said.

The 27 could intimidate the rest of the workforce and the safety of new workers hired could not be guaranteed.

Yesterday, Mr Justice H L Berman granted a temporary interdict ordering the 27 to leave the premises, preventing them from disrupting the company's business or harassing or molesting any of the company's employees or customers.

They have until March 5 to show why the order should not be made permanent.

- An insurance company has obtained an interim Supreme Court interdict to prevent striking staff from staging a sit-in at its Cape Town premises.

Metropolitan Life Ltd obtained the order yesterday against the South African Commercial, Catering and Allied Workers Union and those gathered at its premises at 38 Wale Street, 33 Church Street and Burg Street.

In terms of the order, the strikers are restrained from gathering on or occupying the premises, or from obstructing access to or egress from the buildings.

They are further restrained from unlawfully interfering with or obstructing the normal operation of Metropolitan Life's business.

Mr Justice H L Berman presided.
Training for black actuaries!

By JOSHUA RABOROKO

MANAGING director of black-owned Afsure Insurance Brokers, Mr Khela Mthembu, has called on insurance companies to make it their duty to pay for the training of black actuaries.

Addressing a seminar on the theme "The Challenges Facing the Insurance Industry," he said in an address, "As much as the companies need to satisfy their clients, while making profit, "we must be determined to ensure the entry of black management personnel into the industry."

He said: "To this end, my black counterparts in the industry and I have initiated a scheme to assist black people with potential to develop beyond the area of insurance salesmanship."

"In March this year," he said, "we will be launching a bursary scheme to train actuaries."

Share deals

"This scheme will be linked through Wits University in a degree programme."

He said: "South African companies had a penchant for grooming fat cats."

2003 in most companies you will find white managers whose only responsibility is to look important and drive fancy cars."

A developing country like South Africa needs to educate and train people who are really going to be effective, productive, functionaries in a developing economy."

He believed blacks had done enough protesting and complaining. As a result, they tended not to be taken seriously. No matter what strategies they used, they became dissipated by too much talk and not enough action.

It pained him to concede that South Africa did not have a black insurance company.

Time was ripe that blacks come together and given the opportunity, form their own companies, like Santam - a typical example of how the Afrikaners flexed their economic muscle.

"Through Santam, the Afrikaners extended their tentacles to every sphere in the economic spectrum."

"Through the company and the obvious abuse of political power, they have created a foundation for the Volk to develop in every sphere of life," he said.

He said "that any people who were economically viable, tended to have an improved self-image, thus, becoming more caring. As the quality of life improved, the production levels increased and thus economic growth followed."

"One of the most valuable benefits for insurance money was that it could be used to generate and finance business development. So through insurance, all other sectors of business got initiated."

Afsure Insurance Brokers Mr Khela Mthembu
Metlife dispute deadlocked

By Waghied Misbach

NEGOTIATIONS for a single bargaining unit by workers at a major insurance company remain in deadlock after more than a week of sit-ins and strike action.

More than 3,000 workers of the Metropolitan Life insurance company in Cape Town, East London and Johannesburg are involved in the strike.

According to a spokesperson for the South African Commercial Catering and Allied Workers Union (Saccawu), more than 90 percent of the workers are on strike.

A successful application for a Supreme Court interdict by the company prevented a sit-in at its offices by Cape Town workers.

In Johannesburg a four-day sit-in was ended on Monday after a Supreme Court order restrained workers from entering the company's offices.

Meanwhile, about 150 striking Metropolitan workers in Port Elizabeth vowed on Wednesday to stage a sleep-in demonstration after marching through the city centre to present a single demand to the regional head office, writes Shadley Nash.

The letter, bearing a single sentence, "We demand, we want, we will get one bargaining unit", was received by the company's regional manager, Mr Mike Schmidt.

In East London workers were also involved in a "sleep-in".

A company spokesperson could not be reached for comment.
Old Mutual suspends staffers during probe

THE Old Mutual announced yesterday that certain members of its staff had been suspended while investigation transactions were being investigated.

Old Mutual chairman Mike Levett would not comment on the likely effect on policy holders, although the life assurer's official statement said the amounts involved were insignificant in relation to Old Mutual's business.

However, estimates on the JSE floor suggest irregular transactions could have cost the country's largest life assurer hundreds of thousands of rands.

A JSE source said two senior staff members had been suspended at Old Mutual. The Old Mutual statement said: "Some investment transactions which require investigation have come to our notice. "An internal investigation into these transactions is under way.

"As is customary under such circumstances, certain personnel within whose areas of responsibility the transactions fall, have been temporarily suspended.

"It has to be stressed that it is transactions that are being investigated and that no reflection on any person should be inferred." It said no further statement could be made at this stage.
Metpol strike still unresolved

Labour Reporter

HUNDREDS of Metropolitan Life workers at branches throughout the country were still on strike and there is no sign of a settlement.

Company spokesman Mr Noel Breakey said the situation had not changed since last week but Metropolitan would not take disciplinary action immediately.

The workers, members of the South African Commercial, Catering and Allied Workers' Union (Saccawu), downed tools on February 6 in support of a single bargaining unit for all employees.

NEW DEVELOPMENT

The company has said about 700 workers are involved, but the union estimates the figure to be closer to 1,200.

In a new development strikers sent a letter to University of Zululand rector Professor A C Nkabinde — a company director — asking him about his position on the strike.

Branch managers in the Eastern Cape, Natal and the Northern Transvaal expressed support for the strike at a meeting in Durban last night, said union spokesman Mr Leslie Apollis.

The two parties had not set a date for further negotiations.

Over the past two weeks the company obtained court interdicts restraining strikers from occupying the company's premises at offices including those in Cape Town, Pretoria, Durban and Umtata.

Business was disrupted, with branches closing until workers left the premises.
Deadlock in insurance dispute

AFTER two weeks of strike action, workers and management at a major insurance company remain in deadlock. About 3,000 workers of the Metropolitan Life Insurance company began striking when negotiations for a national single central bargaining unit ended in deadlock earlier this month.

The workers are members of the South African Commercial, Catering and Allied Workers Union (Saccawu).

A Saccawu Western Cape spokesman, Mr. Lesic Appolis, said there had been no contact between the company and striking workers since their last meeting on February 7.

Appolis said the only contact came when Metropolitan Life applied for a Supreme interdict to prevent workers from having a sit-in at the company's offices in Cape Town.

Appolis said management has refused to budge on the workers' demand for a single bargaining unit. The company prefers decentralised bargaining for sales representatives and clerical staff respectively.

A spokesperson for Metropolitan Life, Mr. Phil Solomon, confirmed the company remained in deadlock with the union.

However, he said the company was concerned about the "wave of intimidation" that was taking place at various branches.
Strike ‘intimidation’ worries Metpol

By SHARON SOROUR
Labour Reporter

METROPOLITAN Life is concerned about the “wave of intimidation” taking place at strike-torn branches throughout the country.

“We are aware that many of our employees who wish to go to work are being forced to stay away,” said company spokesman Mr. Noel Breakey.

Hundreds of workers, mostly members of the South African Commercial, Catering and Allied Workers’ Union, have been on strike over a single bargaining unit since February 6.

While the company has said 600 people are involved, the union estimates the figure to be closer to 1,200 workers.

Mr. Breakey said the rights of employees who did not agree with the union were not being respected.

He said: “In spite of the fact that Metropolitans has acknowledged the strike, the behaviour of some of the striking employees and union members is not in keeping with the spirit of negotiation.”

The two parties could not agree on strike rules, he said.

Attempts to resolve the dispute through mediation and at conciliation-board level failed last month.

The dispute revolved around the collective bargaining structure at Metropolitan: the company has insisted that indoor staff and field staff are two separate groups which should have separate bargaining units.

The union argues that this will divide the workforce and weaken the union’s bargaining power.

But Mr. Breakey said yesterday the company wanted to resolve the dispute.
We want a single body, say Metlife employees

By Gay Jepson

Striking Metropolitan Life employees staged a mobile picket outside the Johannesburg Stock Exchange at lunchtime yesterday demanding the establishment of a single bargaining committee.

Members of the South African Commercial Catering and Allied Worker’s Union (Saccawu) drove about 20 cars — spray-painted with slogans — up and down De Grandi Street for about half an hour. They then moved off to Metropolitan Life’s regional office in Fox Street to continue the protest.

A union spokesman said the dispute was declared when it became apparent that the company was “not prepared to budge” on the question of the establishment of a single negotiating committee to represent employees.

“Metropolitan Life wants us to approach them in two units — one for indoor staff and one for field staff. We want unity — we are all employees of Metropolitan, that’s why we feel we need one bargaining unit.”

He said union members intended to carry on until their demands had been met.

Approached for comment yesterday, Metropolitan Life public relations head, Phil Solomon, said: “On the one hand we have commercial staff who, for example, don’t have fixed working hours and then we have salaried staff who do. That is why we would like to have two bargaining units.”

Metropolitan Life assistant general manager of human resources, Noel Brearsley claimed that employees who wished to go to work were being intimidated into staying away.

“Metropolitan wants to see a solution to the dispute and trusts that negotiations will continue,” he added.
Cutbacks threaten senior staff

Even senior credit managers are being retrenched in the current wave of cut-backs in commerce and industry.

Professional Assignments Group manager confidential assignments Rosemarie Davie says retrenchments in the credit control market are not just affecting credit controllers and clerks, but also senior credit managers.

"There are still companies which do not fully appreciate the true value of a credit manager as a senior executive.

"If you take away the top staff then you remove the supervision. This is a short-sighted policy.

"The good credit manager performs a number of functions which have a high value in terms of the bottom line - liaising with the sales force so that time is not wasted selling large orders to clients that don't pay. Another important area is the setting of discount levels, this should be done by the credit manager as he knows when the client is paying. Sandton Executive Search owner George Niven says the credit manager is no longer just a title.

"An idiot in charge of the book will often ruin the relationship between the company and its clients. This still happens but it is decreasing as awareness grows and companies take greater care when selecting credit managers.

"I believe a credit manager should have an accounting background. While this may not be necessary for a credit manager working in the retail environment, it is essential in other fields."
More professionalism is now required

Credit control has come out of the dusty closet and employers are looking for increasing levels of professionalism from their staff.

As a result, many of the credit control personnel advertisements specify that applicants should be qualified.

United Institute of Credit Management offers several courses to those wishing to move ahead in their profession.

Two of the courses are by correspondence and there is a one-year certificate in Credit Control Studies which is aimed at providing people with a basic grounding in credit control, a must for non-matriculated applicants.

The Diploma in Credit Management takes the student two years of study and both courses are provided by Rapid Results College and Intec. The Institute sets and marks the exams.

For people who prefer a face-to-face study situation, the institute has a part-time course through Damelin which it is estimated will take the student one-and-a-half-years.

Institute administrative coordinator Erica Oberholzer says: "The diploma course and the updated course being offered through Damelin are of a high standard and we prefer applicants who are currently employed in credit control. It is not impossible for students without appropriate work experience but it is tough."
Insurance workers protest

ABOUT 250 singing and chanting Metropolitan Life workers marched on their company's head office in Cape Town yesterday in support of a demand for a single bargaining unit.

Traffic was brought to a standstill at the intersection of Wale and Buitengracht streets as the throng moved towards the city centre.

Police kept a close watch.

The workers have been on strike for more than three weeks.

The marchers earlier gathered at a playground after being ordered off Wale Street by a police captain.

No incidents were reported. - Sapa.
Chanting strikers in city march

Staff Reporter

ABOUT 200 striking Metropolitan Life workers yesterday marched chanting down Wale Street in support of wage demands and the recognition of a single bargaining structure for workers, drawing a curious crowd.

Police maintained a low profile as traffic officers redirected vehicles for the legal march.

There were tense moments when South African Commercial Catering and Allied Workers' Union (SACCAWU) leaders held back shouting workers who crowded the Metropolitan Life building entrance in Wale Street.

Some workers made threatening gestures at Metropolitan Life executive Mr Noel Breaker, while others exhorted the crowd to force its way into the building.

Mr Breaker and public relations officer Mr Phillip Solomon were jostled at the building's entrance but marshals successfully held back the crowd and handed over a petition.

Mr Solomon said that Mr Breaker responded by handing over a copy of a letter sent to the union six days ago in which the company reminded it of proposals to create a joint working committee to resolve the dispute.

UNION MARCH... Metropolitan Life workers march chanting down Wale Street yesterday to deliver their petition.

Picture: ORER ZLWA
Wale Street closed as strikers march

Labour Reporter

WALE STREET was closed to
lunch-hour traffic, when about
300 Metropolitan Life employ-
ees on a three-week national
strike marched to the company
head office to hand over a peti-
tion demanding a single bar-
gaining unit.

The singing and chanting
members of the South African
Commercial, Catering and Al-
lied Workers' Union (Saceawu)
marched from the Bo-Kaap to
town, helped by traffic offi-
cials, yesterday.

They have been on strike
with hundreds of others around
the country since February 5.

Police kept an eye on pro-
ceedings as marchers crowded
around the building's entrance
when union official Mr Bones
Skulu handed a memorandum
to company human resources
manager Mr Noel Breakey.

After several calls by mar-
shals the demonstrators re-
turned up Wale Street and dis-
persed.

While the company has said
there are about 700 people on
strike, the union estimates the
number has reached 1,000.

The dispute revolves around
the company's collective bar-
gaining structure; workers are
demanding a single bargaining
unit to represent both field and
indoor workers.

The company has insisted
that the two groups have sepa-
rate working conditions and
should have separate bargain-
ing units.

Attempts to resolve the dis-
pute through mediation and at
conciliation board level failed
in January.
Bid to resolve Metropolitan strike

Solomōn said both parties had indicated they would study the proposals. He said that on February 7 the company had put forward several proposals including referring the dispute to voluntary arbitration; letting the Industrial Court decide the matter; and the immediate setting up of a working committee.

The union had accepted proposals relating only to the committee. Saccawu national negotiations co-ordinator Important Mkwize said the union was still open to negotiations. However, workers would not return to work until the dispute had been settled through the working committee.
Striking workers defy order to leave Met Life premises

By Stan Hlophe

More than 200 Metropolitan Life Insurance workers last night defied a court order to vacate the company's premises in Deorloed, Soweto.

A spokesman said late last night the workers, who are on strike, would not leave the premises until management acceded to their demands. Demands include recognition of the SA Commercial and Catering Allied Workers Union, and a single bargaining unit to represent both field and administrative workers.

The spokesman said workers had defied the eviction order because only a duplicate copy had been served on them. This breached a provision of the order that stipulated an original must be issued.

"Management called the police who took the copy of the order and promised to come back with reinforcements. But on their return they monitored the situation and left an hour later."

The spokesman accused management of failing to keep its word that workers were entitled to join the union of their choice and have freedom of association.

"They now want to divide us."
Step towards ending insurance firm strike

By SHARON SOROUR
Labour Reporter

METROPOLITAN LIFE workers, on a nationwide three-week strike over a single bargaining unit, have "responded positively" to a proposal to form a working committee to end the stoppage.

The strike has closed several branches of the insurance firm.

Company assistant general manager (human resources) Mr Noel Breckin welcomed the SA Commercial, Catering and Allied Workers' Union's response.

He said management was studying the union's proposal for a working committee — made at the last meeting between the two parties on February 7 — and would respond soon.

The company had always indicated its willingness to resolve issues through discussion and negotiation.

"It is important that we should all get together as soon as possible to solve the problem."

Union spokesman Mr Important Mkize said: "Metropolitan Life is trying to induce staffers to resign from the union when they fetch their pay cheques. We need to resolve this before negotiations start."

The dispute, affecting about 1 000 workers, involves the collective bargaining structure at the firm.

Workers are demanding one bargaining unit for both "field" and indoor staff. The company insists the two groups have different working conditions and should be represented by separate bargaining units.

Attempts to resolve the dispute through mediation and at conciliation board level failed in January.
Metropolitan
strike talks
VERA VON LEERS

METROPOLITAN Life and
representatives of striking
SA Commercial, Catering,
and Allied Workers' Union
members meet for urgent
talks today on ending the
month-long strike.

Several hundred Metropolitan
workers have been
on strike since last month
to back demands for a sin-
gle national bargaining unit
for commissioned staff and
salari ed employees.

Company spokesman
Phil Solomon said yester-
day the parties would meet
at the company's office in
Johannesburg.

All Metropolitan branches
in the Cape were func-
tioning and some Nafal
branches had reopened
since last week.

Saccawu spokesman
Important Mkwize said yest-
terday he was optimistic
the parties would reach a
settlement at the meeting.
Badenhorst has
some good news
for Allied staff

By Tom Hood

CAPE TOWN — Today the estimated 5,000 Allied staff nationwide will meet — by way of a nationwide M-Net television link-up — the man who holds their destinies in his hands.

United chief executive, Mr Piet Badenhorst, who met senior Allied management yesterday, will have some comforting words for the Allied staff.

"The last thing we want to do is be a bull in a china shop," he said in yesterday.

"We are dealing with sensitive human beings. We need good people and have no intention of losing them. The only way to get to know people is by living and working with them," he said.

He added it was too early to tell what rationalisation would be required but stressed there would be no immediate slashing of staff or services.

The M-Net link will give Allied staff the chance to ask their new leader whatever question they chose, or are brave enough to choose.

Mr Badenhorst said his policy was open door and, from time to time, even bank tellers had sought, and got, a meeting.

New Board

He said the Absa board would be constituted soon after the March 26 formation of the company and would include six United directors, six from Volkskas, three from Allied, one from Sage and the chief executive of each of the operating companies.

He wouldn't comment on whether Allied chief executive Mr Kevin de Villiers would be one of them.

The formation of Absa makes a R50 billion financial giant which outstrips nearest rival Standard Bank Investment Corporation in terms of assets.

"We are not chasing assets," he said adding the March-end results "will be good".

Mr Badenhorst said the bedding down of the three companies would take up to two years and was coy when asked what the likelihood of further acquisitions was.

A certainty, for rationalisation is the group's computer capabilities. United has spare capacity at its new computer centre in Johannesburg and Mr Badenhorst said United was currently a world leader in banking technology.

Another certainty is a single head office.

He said virtually nothing was being spent on Absa's corporate image. Resources will be directed at growing market share for the various operating entities.

Turning to branch level, Mr Badenhorst said Allied and, to a lesser extent Allied, actually needed greater metropolitan branch representation which would mean little rationalisation on this level.

For Allied staff who know little or nothing about Mr Badenhorst it is interesting to note he went to Helderberg Hoërskool on the Reef barefoot, paid for his university education by waiting at the famous Dakota roadhouse on the West Rand and has worked his way up in the group.

He also demands a "no frills" approach to business and believes the organisation is greater than the individual.

"To me the health in all respects of the organisation is much bigger than that of the individual," he said.

The Absa tie-up brings roughly R20 billion worth of home loan exposure into the group and Mr Badenhorst is adamant "home ownership should be protected."
End of Metpol strike in sight

HUNDREDS of striking Metropolitan Life (Metpol) workers are expected to return to work within days after the SA Commercial, Catering and Allied Workers' Union (Saccawu) and management reached an agreement on the dispute over bargaining units.

Saccawu national co-ordinator Important Mchise said on Friday the two parties had agreed that details of the agreement would only be released after its signing this week.

Mchise said other "outstanding issues" still had to be finalised before the agreement could be published.

Saccawu spokesman Phil Solomon said on Friday "substantial progress" had been made towards settling the strike.
Johannesburg. — Hundreds of striking Metropolitan Life (Metpol) workers are expected to return to work within days after the SA Commercial, Catering and Allied Workers' Union and management reached an agreement on the dispute over bargaining units.
Life insurers' 5-week strikes may end

An agreement ending a five-week strike by Metropolitan Life employees could be clinched next Monday after unsatisfactory talks last week, according to a union spokesman.

The company and the U.A.C. Commercial Clerical and Allied Workers Union had scheduled a meeting for Monday, said Sacca-union member Mr. Leslie Appolis.

He declined to divulge details of an interim settlement reached on Tuesday.

About 1,000 Metropolitan Life staffers remained on strike for a single national bargaining unit, he said.

A company spokesman, Mr. Phil Solomon, was not immediately available for comment.
Two sacked at OM

Two portfolio managers of the South African Mutual Life Assurance Society (Old Mutual), Marco Celotti and Nathan David Shapiro were dismissed on Friday with immediate effect.

Old Mutual Operating Officer Gerhard van Niekerk said the dismissal of the two employees, who had been suspended, was the result of the findings of an internal disciplinary enquiry.

The dismissal follows the government probe into suspected dealing irregularities at the Old Mutual and the Johannesburg Stock Exchange and the subsequent arrest of a prominent stockbroker and a dealing clerk.

Warrants of arrest had also been issued for the two Old Mutual employees and London stockbroker Peter Rawson.

— Sapa.
Insurance strike is set to end this week

THE strike by hundreds of Metropolitan Life workers is expected to end this week.

Company spokesman Mr Phil Solomon said management and the South African Commercial, Catering and Allied Workers Union would meet to discuss and sign the draft agreement drawn up last week.

The contents of the agreement could not be disclosed until it had been approved by both parties, he said.

A union spokesman confirmed that workers were prepared to end the strike after the agreement had been finalised.

Scores of workers embarked on the strike on February 6 over a single bargaining unit.

The union claims more than 1,000 workers are on strike, while Metropolitan says about 700 are involved.

Several branches, especially in Natal and the Transvaal, were forced to close down because of the strike.

Solomon said certain branches in Soweto and Transkei were still closed.

The company insisted that field workers and administrative workers have different bargaining units while the union demanded one unit for both groups. - Sowetan Correspondent.
METPOL to meet striking workers.

METROPOLITAN Life and representatives of its striking workforce are to meet in Johannesburg today to discuss aspects of a draft agreement reached at talks with the South African Commercial, Catering and Allied Workers' Union about 10 days ago.
Attempt to overcome obstacles to resolving Metropolitan strike

METROPOLITAN Life management and representatives of the SA Commercial, Catering & Allied Workers Union (Saccawu) meet in Johannesburg today in a bid to overcome obstacles to ending the strike over bargaining units, Saccawu officials said yesterday.

The strike is more than a month old. Metropolitan Life spokesman, Phil Solomon confirmed the meeting.

The union said at a Press conference yesterday that the parties had drawn up a draft agreement 10 days ago and that the main issue over bargaining units had been resolved.

However, the union had raised other "outstanding issues", critical to facilitating members' return to work. These included the reinstatement of dismissed workers; the opening of closed branches; outstanding February salaries to be paid to members; company loans for members and requests that management withdraw charges against members of intimidation.

The parties agreed that details of the agreement would only be released once issues had been finalised.

The union claimed yesterday that police, together with a senior management member, dispersed and evicted members holding a meeting at the Metropolitan Soweto branch this week. Saccawu condemned the incident, saying it was not in the interest of a joint settlement.

Solomon said yesterday workers had been evicted in terms of interdicts served several weeks ago. He said the company had had continuous contact with the union over the past weeks. Minor issues concerning the draft agreement were still being evaluated and discussed.
Retrenchments by embattled stockbrokers

Own Correspondent

JOHANNESBURG. — Stockbroking firm Ed Hern, Rudolph — one of the two largest stockbroking firms linked to the Old Mutual affair involving improper trading on the JSE — has officially laid off 14 of its 88 employees as a result of lost business.

This was confirmed yesterday by Hern managing director Mr. Johann Biersch. Earlier in the day, however, the broking firm's executive chairman, Mr. Ed Hern, had said that 23 of the brokerage's 120 employees had been given notice last Thursday.

Mr. Biersch also confirmed that Mr. Hern himself had offered his resignation last week. Mr. Biersch added, however, that Mr. Hern's proposal was "totally unacceptable" to the firm.

Mr. Hern said the employees had been laid off as a direct result of declining business stemming from the alleged involvement of its dealing clerk Mr. Kenneth Fouche in the Old Mutual affair. Mr. Fouche was arrested and released on R500 000 bail three weeks ago.
Decline in business forces staff cutbacks at stockbrokers Ed Hern

Execution of the new stock market initiative

The new initiative would entail:

- Increasing the number of analysts
- Implementing new trading strategies
- Developing new market research tools

However, these changes would require significant investment, which may not be feasible given the current financial constraints.

The current market conditions make it challenging to implement these changes effectively.

By the next quarterly meeting, the board will discuss:

- The feasibility of the new initiative
- The impact on the company's profitability
- Alternative strategies to improve profitability

Though there are measures to increase market visibility, the overall impact remains uncertain.

The new initiative is an opportunity to:

- Strengthen client relationships
- Expand market presence
- Mitigate potential risks

However, it is crucial to carefully assess the potential benefits and challenges associated with this initiative.

The new initiative would require:

- Additional resources
- A dedicated team
- Training for existing staff

The feasibility of this initiative will be reviewed by the board at the next meeting.
Insurer and union set to end dispute

By Shareen Singh

An agreement between management and union in the Metropolitan Life dispute was expected to be signed yesterday, ending an eight-week strike. They were still locked in negotiations at the time of going to press.

The SA Commercial, Catering and Allied Workers Union yesterday said significant progress had been made at a meeting last week towards reaching an "in principle" agreement. The parties had drawn up a draft agreement on union recognition and the issue that gave rise to the strike — the demand for a single bargaining unit for all workers. However, certain issues had not been resolved last week and it was expected that these issues would be resolved at yesterday's meeting.
Metroplitan Life meets Saccawu in new bid to end strike

VERA VON LIERSE

METROPOLITAN Life and the SA Commercial, Catering and Allied Workers' Union (Saccawu) met in Johannesburg yesterday in another attempt to resolve the nearly two-month-old dispute over bargaining units. The strike, demanding one single national bargaining unit for commission and salaried employees, has dragged on since February 9.

Metropolitan insists commission and salaried employees are separate identifiable groups and collective bargaining should occur in two bargaining units.

The parties reached agreement to end the strike in the middle of last month, Saccawu refused to sign the agreement until "outstanding issues" relating to workers' return to work were sorted out. This led to the establishment of a draft agreement late last month.

Saccawu spokesman Important Nhize said yesterday once the agreement was signed, the parties would decide on a date for workers to return to work.

The achievement of a single bargaining unit, once finalised, would "symbolise a significant victory for Metropolitan workers, Saccawu and Cosatu as a whole". Metropolitan's public relations head Phil Solomon confirmed a draft agreement was reached.

He said the company hoped the agreement would be finalised at the meeting. At the time of going to press the outcome of the meeting was not yet known.

The union is demanding that:

☐ Final agreement be reached on one single bargaining unit for both commission and salaried workers;
☐ In workplaces where membership is 30% and more union officials have access to company workplaces and shop stewards be recognised;
☐ Shop stewards handle worker problems and grievances within the company and
☐ Negotiations on substantive issues such as wages and working conditions start next week in a joint forum for both indoor and outdoor staff.
New course for SA financial analysts

Five professional organisations have backed the introduction of one of the world's top investment courses to South Africa.

The three-year chartered financial analyst (CFA) course, which includes three hours' tuition a week, will lead to the international certificate from the US-based Institute of Chartered Financial Analysts and a certificate awarded by the SA societies which endorse it.

Endorsing the course are the Investment Analysts Society of Southern Africa, the Institute of Chartered Accountants, the Association of General Banks & Financial Houses, the Actuarial Society of Southern Africa, the Institute of Pension Funds, the SA Future Industry Association and the Forum of Business Economists.

A circular to members of the organisations drew response from 133 potential candidates, says Gad Arlovich, one of the organisers.

Dr Arlovich says it is the first attempt to introduce formal training for investment analysts. In the past they were trained in-house by stockbrokers and investment institutions and by correspondence.

The ICFA has awarded more than 13,000 certificates since the programme started 27 years ago and 13,000 candidates will write examinations in June.

Although the course is intended to be applicable to international financial markets, the SA professionals will add Southern African topics to cover domestic ones.

Dr Arlovich says the CFA is on a similar level to the average US MBA.

"However, unlike the MBA programmes which are more general, the CFA course is highly specialised and it focuses on investment and financial analysis."

South African graduates say that an experienced investment analyst taking the course needs to spend about 120 hours a year working on it. A candidate who is not working in the field but has a business education would need to spend about 500 hours on it.

Cost

Entrance requirements are a bachelor's degree or three years' professional experience in investment and financial analysis.

The course covers portfolio management, equity securities, financial accounting, quantitative analysis, economics, fixed-income securities, ethical and professional standards and SA investment issues.

The cost is about R3,500 for members of the sponsoring societies and R3,950 for non-members. Details may be obtained from Charmain Taylor (011) 267-3009.
Agreement ends Saccawu strike

VERA VON LERER

METROPOLITAN Life and the SA Commercial, Catering and Allied Workers' Union (Saccawu) reached an agreement on Friday which will end the more than two-month-old dispute over bargaining units.

Several hundred striking Metropolitan workers countrywide are expected to return to work early this week after a final agreement is signed today.

A Metropolitan spokesman said the final agreement would be signed today, when a Saccawu delegation meets company officials at Metropolitan's head office in Cape Town.

The parties reached agreement to end the strike last month. However, Saccawu refused to sign the agreement until "outstanding issues" relating to workers' return to work had been sorted out.

Metropolitan said at the weekend it was unable to release details of the agreement before it was signed.

It is understood the parties have agreed collective bargaining should occur in one bargaining unit, provided the interests of both indoor and outdoor staff are protected.

Metropolitan's public relations head Phil Solomon said yesterday a final date for workers' return to work would be set today. Saccawu spokesmen were unavailable for comment.
Strike is to end

A final agreement ending a nine-week strike by more than 1,000 Metropolitan Life workers was due to be signed in Cape Town yesterday. (SAPA)

Mr. Noel Breakey said a delegation from the South African Commercial, Catering and Allied Workers Union would meet company officials at their head office in Cape Town.

More than 1,000 members of SACCAWU stopped work on February 6, demanding a single bargaining unit for commissioned and salaried staff.

"Following discussions at a meeting between Metropolitan Life and SACCAWU on April 4, we are pleased to announce that agreement has been reached," Breakey said. (SAPA)
Metropolitan workers win bargaining demand

SEVERAL hundred SA Commercial, Catering and Allied Workers Union (SaCCAWU) members have won a demand for a single bargaining unit for commissioned and salaried staff at Metropolitan Life after a nine-week strike. Metropolitan said a final agreement was signed in Cape Town yesterday. Spokesman Noel Breaken said workers would return today.

The agreement recognises SaCCAWU as a collective bargaining agent for members once they exceed more than 50% of eligible Metropolitan Life staffs, he said.

It also allowed for separate secret ballots — if needed — by union members in the two employee groups.

SaCCAWU spokesman Important Mkhize said the agreement also allowed:

- Union officials access to company premises;
- Negotiations over wages and working conditions to start at a convenient date; and
- Negotiations for a full recognition agreement to start once the parties had finalised "substantive issues".
The nine-week Metropolitan Life strike ended this week following an agreement between the company and the South African Commercial, Catering and Allied Workers' Union.

Saccawu said management had agreed to one national bargaining unit for both indoor and field staff—the strike trigger.

The agreement also provided for recognition of Saccawu, union access to company premises, wage talks by April 29 or a mutually acceptable date and talks on a formal recognition agreement.

The union statement makes no mention of demands arising from the strike which delayed settlement, including the reinstatement of 15 fired workers and the payment of strikers' February wage. However, if so say workers will receive financial assistance "to enable them to perform their duties".

Reports from Weekly Mail staff
Training academy aims for excellence

A COMMITMENT to excellence — both in-house and within the estate agency profession as a whole — led to the establishment of the Seiff Training Academy about 15 years ago.

Today, the academy is among the largest of its kind in SA, with some 1,500 students passing through its doors each year.

It was launched by the late Geoffrey Seiff, founder of the group, and was revitalised in 1996 when Johan Meyer, who had been running a successful training course, took over as MD.

Courses offered cover selling and marketing skills for beginners; negotiation training; commercial and industrial 'property', and a course for Estate Agents' Board examination candidates.

A new course is titled: 'Your career in real estate and how to open your own business'.

Says Meyer: "The Seiff group is not threatened by the prospect of new businesses coming into the market, but Seiff salespeople attend workshops at least once a month and usually fortnightly".

In addition to offering training courses, the academy provides a consulting service to a wide range of brokers.

"We advise them on setting up in-house training programmes and running their businesses," he says.

Secret:

But while the academy's courses have proved their value to the industry, Meyer says the secret of Seiff's success is that its training is ongoing.

"We run weekly training courses lasting, on average, 90 minutes. These range from refresher courses on selling techniques to workshop sessions to help our salespeople cope with various situations."

"Market conditions change daily, but Seiff salespeople attend workshops at least once a month and usually fortnightly."
Malawian consulate clashes with union

A row has erupted between the Malawian consulate in Johannesburg and the Banking Insurance Finance and Assurance Workers Union over the recognition of the union.

Union spokesman Mr Tom Phalama said yesterday that recognition talks reached a stalemate in March because of the consul general's "anti-union stance".

He also said that subsequent to the failed talks, union member Mrs Letta Manjai of Soweto had her salary withheld for allegedly "promoting the union among the consulate's staff.

Munjai was later dismissed, the spokesman said.

A consular spokesman Mr K Nasaza denied the allegations of being anti-union, saying talks over recognition of the union were still in progress.

On the status of Munjai, he said she had not been dismissed but that her contract as a temporary labourer had lapsed and could not be renewed because the consulate had staff problems.

He said Munjai had been employed at the consulate for 12 years.

Phalama said he found Nasaza's explanation unacceptable because Munjai was fully contracted to the consulate.
Insurance Bursary Launched

editorial

Student bursaries are an important form of financial support for students pursuing higher education. They help to reduce the financial burden on students and their families, allowing them to focus more on their studies and personal development. Bursaries are often targeted at students from disadvantaged backgrounds or those pursuing specific fields of study.

Bursaries can come from a variety of sources, including government agencies, universities, and private organizations. They can be awarded based on academic performance, financial need, or other criteria.

For students interested in applying for bursaries, it is important to research available options and meet all eligibility requirements. Many bursaries have specific application deadlines, so it is important to submit applications well in advance.

In addition to financial support, bursaries often offer opportunities for networking and mentorship, which can be invaluable for students' professional development.

Overall, student bursaries are an important resource for students pursuing higher education. They provide financial support, reduce the stress of financial burden, and offer opportunities for personal and professional growth.
Insuring their tomorrows

A new educational opportunity for black South Africans wanting a career in insurance has received strong support from the London insurance market.

There is a critical shortage of qualified black insurance staff throughout South Africa, but the initiative, conceived entirely by black entrepreneurs in the industry, is intended to provide candidates able to cope with middle and top management jobs.

Roger Atkin, a director of Edgar Hamilton (Marine) Ltd, has pledged full support for the scheme.

A bursary fund was set up and students qualifying will do a BA in insurance at the University of the Witwatersrand.

Mr Atkins has promised financial assistance for the new fund from the Edgar Hamilton Group and from Atkinson PLC, and will try to encourage enthusiasm for the venture in London.

THE STAR BUREAU
ASSURANCE  SELLING HAZARDS

An advertising and promotional campaign by the Institute of Life & Pension Advisers seeks to encourage consumers to trust the expertise of institute fellows. If it proves highly successful, fellows might need more insurance themselves.

Some of the risks they face in a potentially hazardous climate, where the quality of advice can be tested against the laws of delict — and statutory liability may also be involved — are spelt out by Southern Life assistant GM Nigel Scott.

Delict requires the components of wrongdoing: a person, culpability and neglecting the duty of care. A precondition for wrongfulness is that the duty of care is owed. Culpability follows if that duty is not exercised.

Quality of care is not itself the problem. Representing to a client that the service is of professional quality holds the potential for trouble because it holds out the promise of care.

If it is ever tested in court, says Scott, the quantum of care required in performing a service will be assessed by a peer group.

Courts have held, warns Scott, that even in a professionally qualified group, different standards of care may be recognised. There is a difference between consulting a generalist attorney and a specialist in maritime law.

Similarly, institute fellows can specialise — in pensions, life business, tax and estate planning. They should exercise care about the degree to which they profess particular expertise, Scott says.

The law of contract is a different hazard, largely concerned with misrepresentation. The ad campaign, says Scott, "indeed represents fellows as experts." He adds, however, that courts have so far been reluctant to classify errors of judgment as negligence.

A different problem involves statutory liability and criminal law. A fellow who renders a tax return for a client could run foul of criminal law if information supplied to the Receiver excludes details which could have attracted more tax. Scott says this responsibility on the adviser has not yet been strictly applied in SA. But in recent years, tax authorities in Australia have been particularly severe and advisers have found themselves on the wrong end of criminal proceedings.

Fellows have cogent reasons for separating themselves from the rest of the insurance intermediaries. Recent market research shows insurance salespeople rate low on the scale of consumer confidence.

Institute members, who spent much of their recent convention assuring themselves they are the elite of the profession, naturally want to distance themselves from that finding. They represent only 5% of the intermediary force, including both brokers and members of life companies' field forces.

The quality of experience among most people selling life assurance is limited. Turnover in field forces is, according to one office, "nothing short of appalling." The annual cost of training new entrants, who slip out after an average six months, is about R100m, according to an estimate at the convention.

Nevertheless, all life offices are adamant that the quality of selection and training of intermediaries is sufficient to serve the average uncomplicated client.

Institute fellows are by no means all intermediaries. They include life office executives who have taken the qualification because it is recognised in the sector as at least equivalent to a relevant degree. Last year only 15% of those who wrote the exams passed.
Aida tax protest over training expenditure

RESTATE agency group Aida Holdings has lodged an objection with the Receiver of Revenue over the disallowance of expenditure previously claimed for training employees.

Aida's tax bill almost doubled to R675,000 last year, it added.

Aida Holdings, through its subsidiary Aida National Franchises (ANF), has teamed up with Time Life Insurance to provide bond protection insurance for property buyers, the group announced this week.

Known as Aida Bond Protector, it will provide bond holders with protection in the event of death or disability.

Aida chairman Aida Goffen said earlier this week that a separate company, Aida Financial Services, would be formed to administer the new product, and would extend the level of service that could be provided to clients.
Trend in estate agencies towards full-time jobs

The estate agency industry has traditionally been staffed by a large number of people who do not devote their full time to a real estate career.

They tend to hold their licences so that they can occasionally earn some money from what amounts to a hobby.

But this situation is rapidly coming to an end, says real estate and management consultant firm Swanepoel, Van Der Vyver & Associates.

"The larger firms are already screening their applicants better and are detecting failures faster, and taking measures to correct them," says director Stefan Swanepoel.

An Estate Agents' Board survey in 1986 showed that only 45% of all agents holding a fidelity fund certificate were full-time agents.

However, a survey by Swanepoel this year of the top 50 firms showed that more than 70% of staff were full-time agents, with less than 5% being part-timers.

The rest were non-selling, managerial or administrative staff.

Essential

"Agents in the past tried to handle any and all client needs," he says. "Sophistication will result in increased specialisation."

As a result the rapidly increasing levels of professionalism and specialisation will make continuing education essential for those who have made real estate their career.

He adds that passing the Estate Agents' Board examination does not make a person a professional estate agent.

It was merely a licensing exam and the minimum legal requirement to participate in the industry, which was not enough.

"The professional estate agent who wants to excel will have to go beyond a sticks and bricks approach," says Swanepoel.
Financial sector manages to keep job levels steady

PRETORIA — Financial institutions are probably the only private sector area where employment levels have been maintained or even increased marginally in the past 12 months, the latest Central Statistical Service (CSS) report says.

In most other areas layoffs have quickened over the past year and economists say unemployment is still growing.

CSS figures show that at the end of March this year workers in building societies increased by four to 23 010 compared with March last year, and in insurance companies by 1 149 to 65 741.

There was a slight decrease in the staff of banking institutions which employed 65 425 people. The number employed in the whole sector rose by 134 to 183 306 in the year to end-March.

Vacancies in building societies at the end of March totalled 66, in banking institutions 376 and in insurance companies 325.

The public sector continues to show significant increases in employment. At the end of last year there were 1.663-million workers in this sector — an increase of 4 074 compared with December 1989.

Other CSS figures reflect job losses in major sectors of the economy. In the four months to end-March, nearly 10 000 people lost their jobs in mining and quarrying, 3 300 lost their jobs in the manufacturing industry and 7 400 lost their jobs in construction.

Manpower Department figures show that at the end of March there were 21 712 registered white unemployed, 24 126 coloureds, 8 231 Indians and 750 000 blacks.

In terms of the official definition, anyone who has worked for more than five hours in the previous seven days is regarded as being employed.

Economists emphasise that the figures present an unrealistic picture of the seriousness of unemployment which, with underemployed workers, has been put conservatively at between 2.5-million and 3-million.
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Economists emphasise that the figures present an unrealistic picture of the seriousness of unemployment which, with under-employed workers, has been put conservatively at between 2.5m and 3m.

Oil prices edge up

LONDON. — Oil prices edged up slightly yesterday after several days of falling levels, traders said.

July futures for international benchmark Brent Blend crude traded in late business in London $0.8 higher at $10.07 a barrel.

Traders saw rise as a temporary technical correction with the market tone still remaining weak as a result of ample supplies.

"It's a short-term bounce," one European oil trader said.

"I'm still expecting a big shake-out to the downside." — Sapa-Reuters
Against a tide of lay-offs and other cost-cutting exercises, it is pleasing to see at least one property organisation advertising for new staff.

Neville Berkowitz & Associates, well known for its monthly Property Economist, is seeking a property investment manager.

The firm’s expansion is being facilitated by its appointment, in late May, as property consultant to a consortium of pension funds looking to invest R900m a year in nonresidential property.

Berkowitz will not disclose which pension funds are involved, maintaining that the information is confidential. Nevertheless, the move is significant in that it has placed him in the league with major SA property purchasers. It will also make competition for increasingly scarce good property investments in the country that much tougher, says one institution.

Considering that Berkowitz has been advising pension funds on how best to invest their money for many years, it was perhaps inevitable that he would come to play a more direct role. Word is that he intends to trade in property to earn the highest possible immediate returns, as well as seek out a mix of long-term investments.

Berkowitz will be doubling his staff of five and moving to larger premises in Rosebank, Johannesburg, to handle the new business. He plans to establish a national network of specialists he can draw on for property administration, valuation and quantity surveying.

While he does not intend to undertake developments himself, he will provide the long-term finance for them.
Allied staff cuts loom amid Absa streamlining

ALLIED is looking at retrenching staff members as it streamlines operations within the Absa group.

Sources said yesterday Allied would offer staff members a re-trenchment package of three months' pay, as well as half a month's pay for every year worked.

Allied MD Bob Aldworth said there had been no retrenchments yet.

"We are looking at the question of staff numbers and will then decide what to do."

He said natural attrition would occur as staff resigned or retired.

Union

But if this was not sufficient Allied would have to decide whether to retrench staff.

"If we do decide to retrench we will do it the proper way. The package offered to staff members will be negotiated with the union," he said.

The package offered would be in line with the one suggested by the sources because this was the "normal type of package negotiated with a union".

After the Absa formation the group's chief executive Piet Badenhorst was reported as saying staff need not fear massive retrenchments during the longer-term rationalisation process of the group.

SHARON WOOD

Former Allied Building Society MD Don Hunter had said in an interview after he resigned there would be no retrenchments at Absa and lower staff levels would be achieved by natural attrition.

In another Absa-related development, Volkskas substantially increased its market share when its Northbrand corporate banking division acquired all Sage's banking interests earlier this month.

Volkskas will initially take over Sage Financial Service's cheque and corporate banking services.

Volkskas Corporate Banking regional manager Johan Nel says in the latest Volkskas News: "We spent months negotiating for the accounts but somehow just couldn't get them hooked.

"One of Sage's facilities at another bank recently expired and we had the opportunity to offer them a good financial package."

In addition, Volkskas will now handle the income accounts of the Mine Officials Pension Fund and the salaries account of the Mine Pension Funds Management Corp, which are both major shareholders in Absa.

The total assets of the Mine Officials Pension Fund amounted to more than R4bn in 1990.
Another top Allied executive quits Absa

ANOTHER senior Allied executive, one of only two to land a top post in the Absa group, has resigned.

The MD of property development company the Absa Development Corporation, Roger McDonald, yesterday confirmed that he had resigned to go into business on his own.

His departure follows that of Allied MD Kevin de Villiers and three other top Allied executives.

McDonald, who was known to be a supporter of De Villiers, has given up a package rumoured to be close to R300 000 a year to handle the marketing and finances of the Kyalami and Waterfall office parks as an agent for Anglo American Properties (Ampros). The position as head of Absa's property development had been hotly contested within the group.

McDonald said yesterday: "My resignation has nothing to do with the recent turbulence within the group. "But I see little future in major banking for anyone with an entrepreneurial spirit."

He expected further rationalisation to take place in the banking sector in the next few years, causing "more turmoil".

The crackdown on executives' perks tax, uncertainty over the effect of inflation on pensions and the threat of banks' nationalisation had caused him to change direction. "But there are no hard feelings between Absa and myself," he said. "I intend doing business through the group."

Aside from McDonald, Angus Frenelie as head of corporate banking is the only senior Allied executive to find a top position in Absa.
Strikers close Lesotho banks

MASERU - The strike at all Standard and Barclays bank branches in Lesotho would continue until the demand for a 40 percent wage increase was met, the Lesotho Union of Bank Employees said yesterday.

The strike began on Monday. Union president Mr Remakeke-Schlabakala said they decided not to negotiate again with the management of Standard and Barclays until the wage increase demand had been met. - Sapa
FNB faces strike

THE SA Commercial, Catering and Allied Workers Union is planning a strike ballot in early August after the collapse of talks with First National Bank (FNB).

Saccawu general secretary Mr Paul Kganare said yesterday a conciliation board earlier this month failed to resolve a dispute over union recognition at FNB in Johannesburg.

"FNB is refusing to recognise Saccawu even for representation of its members in grievance and disciplinary matters. Access by union officials is being denied," Kganare said.

The union charged that FNB was encouraging new staff to join the South African Society for Bank Officials.

"The latter practice has amounted to an illegal closed shop," Kganare said.

FNB's general manager (personnel) Mr Colin Hunt was expected to respond to the union's claim later yesterday, his secretary said. - Sopx.
Reserve Bank retrenching

By Maggie Rowley

CAPE TOWN — About 37 percent of the Cape Town staff of the Reserve Bank are to be retrenched.

Regional manager Brian Winn says the retrenchments are part of widespread rationalisation.

The Reserve Bank has said it will discontinue its normal banking services to clients at all branches, with the exception of those in Johannesburg and Pretoria from January 1.

The move is the result of, among other things, the privatisation and commercialisation of government enterprises, the centralisation of government accounts and technological developments.

However, branches will continue to supply and handle banknotes.

Johan Terrebosch, assistant general manager, says the rationalisation means fewer jobs, but that no staff will be summarily dismissed.

"Those personnel who wish to further their careers at the bank and who are willing to accept a transfer will be accommodated at head office or another branch."

Other staff will be offered a severance package.
Strike threat at FNB over ‘closed shop’

Weekly Mail Reporter

FIRST NATIONAL BANK may face strike action, according to the South African Commercial, Catering and Allied Workers’ Union. The bank is coming under fire for refusing to recognise Saccawu, for encouraging new staff to join sweetheart unions and for alleged racist practices.

“FNB may face strike action after a conciliation board failed to resolve a dispute with Saccawu. The union is planning to hold a strike ballot on August 7 and 8,” the union says.

Saccawu alleged that the bank was running an illegal closed shop by only dealing with the South African Society for Bank Officials (Sasbo). FNB general manager Colin Hunt admitted that the bank only dealt with this union.

He said: “Sasbo is representative of employees and the bank has been engaged in collective bargaining with them for more than 70 years.”

Employees of the bank who have joined Saccawu have also raised objections to alleged racism in employment, promotion and training practices. They also object to discipline without representation and victimisation of shop stewards.

Hunt refutes these allegations, saying: “FNB has a proven track record of practicing equal opportunity.”

Saccawu also alleges that the bank has given the Inkatha linked federation, Uwusa, representation without membership — a claim which the bank refuted.
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20/01/1989

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Saccawu also alleges that the bank has given the Inkatha linked federation, Uwusa, representation without membership — a claim which the bank refuted.
Johannesburg — About 50 black First National Bank employees yesterday picketed outside the Johannesburg Stock Exchange during lunchtime to demand improved working conditions and an end to alleged racism at the bank.

Organisers of the FNB Workers' Committee alleged that job reservation still exists, black advancement is not what it should be, and that racism is still prevalent in employment and training opportunities.

— Sapa
A group of businessmen has joined forces with insurer Charter Life to launch a skills development programme for black brokerage companies and their staff.

The programme focuses on developing new brokerage talent and empowering existing black brokers by training their staff to a high level of competence, says Charter Life senior GM Martin Sweet.

The idea resulted from a seminar held in Johannesburg last February, where business personalities such as Phil Khumalo of Business Challenge, Nhato Molana of the Get Ahead Foundation, Mofasi Lekota of Nafcoc, Gaby Magemola of Fabcos, Khehla Mthembu of Afasture and Moses Leoka of Corporate Image stressed the need for black advancement in insurance.

Sweet said Charter Life, in its search to develop the right kind of programmes, investigated various training institutions before taking on management training consultants Percon Limited.

Courses started last month, and there had been a good response from brokerages and individuals, he said.

The programmes were provided free of charge, he added.
Protest over 'FNB racism'

A GROUP of about 50 black First National Bank employees yesterday picketed the JSE during lunchtime to demand improved working conditions and an end to alleged racism at the bank.

The organisers, the FNB Workers' Committee, alleged job reservation still existed, black advancement was not what it should be, and that racism was still prevalent in employment and training opportunities.

FNB spokesman L J Moll dismissed the allegations, saying FNB was known to provide equal opportunities and pay.

He added FNB had, on several occasions, held discussions with the Workers' Committee and that any legitimate grievances or queries would be taken up. — Sapa.
NOTICE 718 OF 1991

DEPARTMENT OF MANPOWER

LABOUR RELATIONS ACT, 1956

APPLICATION FOR VARIATION OF SCOPE OF REGISTRATION OF A TRADE UNION

I, David William James, Industrial Registrar, do hereby, in terms of section 4 (2) as applied by section 7 (5) of the Labour Relations Act, 1956, give notice that an application for the variation of its scope of registration has been received from the South African Society of Bank Officials. Particulars of the application are reflected in the subjoined table.

Any registered trade union which objects to the application is invited to lodge its objection in writing with me, c/o the Department of Manpower, 123A Manpower Building, 215 Schoeman Street, Pretoria (postal address: Private Bag X117, Pretoria, 0001), within one month of the date of publication of this notice.

TABLE

Name of trade union: South African Society of Bank Officials.

Date on which application was lodged: 24 July 1991.

Interests and area in respect of which application is made: All persons employed in the Financial Institution Undertaking in the Republic of South Africa.

For the purposes hereof—

"Financial Institution Undertaking" means the undertaking in which employers and their employees are associated in a financial institution for the purpose of conducting business, and includes such activities if conducted by a parent company, associated company or subsidiary of a financial institution;

"financial institution" means—

any institution registered in terms of the Deposit-taking Institutions Act, 1990 (Act No. 94 of 1990);

a building society registered in terms of the Building Societies Act, 1986 (Act No. 82 of 1986), and/or in terms of the Mutual Building Societies Amendment Act, 1986 (Act No. 81 of 1986);

an insurer registered in terms of the Insurance Act, 1943 (Act No. 27 of 1943);

a pension fund organisation registered in terms of the Pension Funds Act, 1956 (Act No. 24 of 1956);

a friendly society registered in terms of the Friendly Societies Act, 1956 (Act No. 25 of 1956);

a unit trust scheme as defined in the Unit Trusts Control Act, 1981 (Act No. 54 of 1981);

a board of executors or a trust company or any other company which makes investments or keeps in safe custody, controls or administers any trust property; or

KENNISGEWING 718 VAN 1991

DEPARTEMENT VAN MANNEKRAG

WET OP ARBEIDSVERHOUDINGE, 1956

AANSOEK OM VERANDERING VAN DIE REGISTRASIEBESTEK VAN 'N VAKVERENIGING

Ek, David William James, Nywerheidsregistrateur, maak inbegrip van artikel 4 (2) (soos toegespas deur artikel 7 (5) van die Wet op Arbeidsverhoudinge, 1956, hierby bekend dat 'n aansoek om die verandering van sy registrasiebestek ontvang is van die South African Society of Bank Officials. Besonderhede van die aansoek word in onderstaande tabel verstrekg.

Enige geregisteerde vakvereniging wat teen die aansoek beswaar maak, word versoek om binne een maand na die datum van publikasie van hierdie kennis-gewig sy beswaar skriflik by my in te dien, p/a die Departement van Mannekrag, Mannekraggebou 123A, Schoemanstraat 215, Pretoria (posadres: Privaat Sak X117, Pretoria, 0001).

TABEL


Belange en gebied ten opsigte waarvan aansoek gedoen word: Alle persone in diens in die Finansiële Instellingsonderneming in die Republiek van Suid-Afrika.

Vir die doeleindes hiervan beteken—

"Finansiële instellingsonderneming" die onderneming waarin werkgewers en hul werknemers met mekaar geassosieer is in 'n finansiële instelling met die doel om besigheid te dfry, en omvat dit sodanige bedrywighede indien uitgevoer deur 'n moedermatskappy, geassosieerde maatskappy of filiaal van 'n finansiële instelling; "finansiële instelling"—

enige instelling geregistreer ingevolge die Wet op Depositionemende Instellings, 1990 (Wet No. 94 van 1990);

'n bouvereniging geregistreer ingevolge die Wet op Bouverenigings, 1986 (Wet No. 82 van 1986), en/of ingevolge die Wysigingswet op Onderlinge Bouverenigings, 1986 (Wet No. 81 van 1986);

'n verserekeraar geregistreer ingevolge die Versekeringswet, 1943 (Wet No. 27 van 1943);

'n pensioenfondsorganisasie geregistreer ingevolge die Wet op Pensioenfondse, 1956 (Wet No. 24 van 1956);

'n onderlinge hulpvereniging geregistreer ingevolge die Wet op Onderlinge Hulpverenigings, 1956 (Wet No. 25 van 1956);

'n effekte-trustskema soos qmskyt in die Wet op Beheer van Effekte-trustskemas, 1981 (Wet No. 54 van 1981);

'n eksekuteurskamer van 'n maatskappy of enige ander maatskappy wat beleggings maak van enige trus-teendom of -goed in veilige bewaring hou, beheer of administrer; of
a manager who, in terms of the Participation Bonds Act, 1981 (Act No. 55 of 1981), controls or administers a scheme.

Note: The object of this application is to substitute the expression "any institution registered in terms of the Deposit-taking Institutions Act, 1990 (Act No. 94 of 1990)" for the expression "a banking institution registered in terms of the Banks Act, 1965 (Act No. 23 of 1965)" in the applicant's certificate of registration. The reason being that the Banks Act of 1965 has been replaced by the Deposit-taking Institutions Act of 1990.

Postal address of applicant: P.O. Box 31537, Braamfontein, 2017.

Office address of applicant: 97-99 Simmonds Street, Braamfontein, Johannesburg.

Attention is drawn to the following requirements of sections 4 and 7 of the Act:

(a) The representativeness of any trade union which objects to the application shall, in terms of section 4 (4), as applied by section 7 (5), be determined on the facts as they existed at the date on which the application was lodged and, as far as membership is concerned, only members who were in good standing in terms of section 1 (2) of the Act as at the aforesaid date shall be taken into consideration.

(b) The procedure laid down in section 4 (2) must be followed in connection with any objection lodged.

D. W. JAMES,
Industrial Registrar.
(9 August 1991)

NOTICE 719 OF 1991
DEPARTMENT OF MANPOWER
LABOUR RELATIONS ACT, 1956
APPLICATION FOR REGISTRATION OF A TRADE UNION

I, David William James, Industrial Registrar, do hereby, in terms of section 4 (2) of the Labour Relations Act, 1956, give notice that an application for registration as a trade union has been received from the Artisans and Allied Workers' Union. Particulars of the application are reflected in the subjoined table.

Any registered trade union which objects to the application is invited to lodge its objection in writing with me, c/o the Department of Manpower, 123A Manpower Building, 215 Schoeman Street, Pretoria (postal address: Private Bag X117, Pretoria, 0001), within one month of the date of publication of this notice.

'n bestuurder wat in gevolge die Wet op Deelnemingsverbande, 1981 (Wet No. 55 van 1981), 'n skema beheer of administreer.

Belange en gebied ten opsigte waarvan registrasie gehou word: Persone in diens in die Finansiële Instelingsonderneming soos omskryf in die voorafgaande paragraaf in die Republiek van Suid-Afrika.

Opmerking: Die doel van hierdie aansoek is om in die applikant se registrasieertekent die uitdrukking "'n bankinstelling geregistreer ingevolge die Bankwet, 1965 (Wet No. 23 van 1965)" te vervang deur die uitdrukking "enige instelling geregistreer ingevolge die Wet op Depositemesende Instellings, 1990 (Wet No. 94 van 1990)". Die rede daarvoor is dat die Bankwet van 1965 deur die Wet op Depositemesende Instellings van 1990 vervang is.


Kantooradres van applikant: Simmondsstraat 97-99, Braamfontein, Johannesburg.

Die aandag word gevestig op onderstaande ver- eistes van artikels 4 en 7 van die Wet:

(a) Die mate waarin 'n beswaarmaking vakvereni- ging verteenwoordigend is, word ingevolge artikel 4 (4), soos toegepas by artikel 7 (5), bepaal volgens die feite soos hulle bestaan het op die datum waarop die aan- soek ingediend is, en wat die lidmaatskap betref, word alleen lede wat ingevolge artikel 1 (2) van die Wet op voorheen datum volwaardige lede was, in aanmerking geneem.

(b) Die procedure voorgeskryf by artikel 4 (2) moet gevolg word in verband met 'n beswaar wat ingediend word.

D. W. JAMES,
Nywerheidsregistrateur.
(9 Augustus 1991)

KENNISGEWING 719 VAN 1991
DEPARTEMENT VAN MANNEKRAG
WET OP ARBEIDSVERHOLDINGE, 1956
AANSOEK OM REGISTRASIE VAN 'N VAKVERENIGING

Ek, David William James, Nywerheidsregistrateur, maak ingevolge artikel 4 (2) van die Wet op Arbeidsverhoudinge, 1956, hierby bekend dat 'n aansoek om registrasie as 'n vakvereniging ontvang is van die Arti- sans en Allied Workers' Union. Besonderhede van die aansoek word in onderstaande tabel verstrekk.

Enige geregistreerde vakvereniging wat teen die aansoek beswaar maak, word versoek om binne een maand na die datum van publikasie van hierdie kennis- gewing sy beswaar skriftelik by my in te dien, p/a die Departement van Mannekrag, Mannekraggebou 123A, Schoemanstraat 215, Pretoria (posadres: Privaatsak X117, Pretoria, 0001.)
Absa merger gets off to a flying start

By Derek Tomney

How do you merge the staff of three banks into one? Very successfully, says Piet Badenhorst, chief executive of Absa, which now houses United, Volkskas and Allied.

At the time of the proposed merger at the beginning of the year some contended it would take years to overcome cultural differences.

But Mr Badenhorst said yesterday the merger had gone much better than expected.

Members of Absa's management confirmed that the merger had proved easier than was initially thought.

One reason, said a senior manager, was that with three banks involved there was no dominant company. This meant the staff of each bank was considered for every post.

It was business as usual, with Allied, in particular, doing some good loan business.

Bob Aidworth, MD of Allied, said the company had lent R270 million in mortgages last month, which was slightly higher than in June.

Demand for loans was particularly good from Natal.

He said Allied was to become a pure retail bank doing consumer and smaller corporate client business with maximum advances of R5 million to R10 million.

Allied was seeking to move into a slightly more upmarket field with a special cheque facility.

Mr Badenhorst said certain support functions had already been rationalised, with positive effects on costs and efficiency.

Absa would become a deposit-taking institution trading on international and domestic money markets and also for certain corporate banking services.

Other marketing and customer services would continue under the United, Allied and Volkskas names.

One of the six computer centres in the group had been sold. Absa planned to retain only two of the centres, with possibly a third kept as a back-up.
...
The Banking, Insurance, Finance and Assurance Workers Union has taken a ballot on industrial action over a dispute on wages with Medicaid administrators.

According to a union statement, the company has offered an increase of 15 percent on existing salaries, but the union has demanded 15 percent across the board on newly-negotiated minimums. - Sapa
Win justifies optimism of Southern Life

SOUTHERN Life believed it had a good chance of winning the Gold Award this year because the company does not discriminate and equality of opportunity has pride of place, says MD Jan Calitz.

"You could say I was cautiously optimistic, knowing as I do that all staff, irrespective of colour, creed or sex, compete on an equal footing for positions, that there is no differentiation in terms of salary and fringe benefits and that both recognition and remuneration are determined with impartiality on the basis of the contribution made by the individual concerned."

Contributed

Calitz says the company's equal opportunity remuneration policies as well as its maternity leave benefits probably contributed towards the judges' decision.

"We allow staff a fair degree of flexibility in determining the pattern of their working day, which is of immense help in meeting the needs of employer and family," he says.

Several interesting trends have begun to manifest themselves at the Southern regarding the upward mobility of its female staff.

An increasing number of women are being appointed to positions in areas previously regarded as all-male domains - security guards, stores clerks, mail and record room staff, for example.

"What makes this development even more interesting is that the majority of these new appointments are the result of promotions from within the company."

There are five female chartered accountants in Southern's employ, a profession which men have traditionally dominated.

Southern also has three of only six female actuaries in SA in its employ.

One area the company has excelled at is the provision of training and advancement opportunities for all its staff.

Management is committed to improving the lot of all its employees, Calitz says.

Unlimited

"We have instituted a personal performance management system which makes each employee the master of his or her corporate destiny, with unlimited scope to exercise individual creativity in achieving goals negotiated by them with their immediate superiors," he says.

Calitz is proud that the Southern has successfully eliminated every policy-related obstacle in the way of female advancement.

"We acknowledge that women and their special skills are wanted and needed in the workplace. We will continue to use all the ingenuity at our disposal to devise ways of supporting them and meeting their needs," he says.
Aida’s path to success was a long hard pull.

When property broker Aida Gelfen started her business in 1968, she only had a scooter to her name.

In addition, being one of South Africa’s first women to break into this traditionally male domain, she faced more difficulties. It took her eight years, for example, to get her own building society branch.

But from humble beginnings, Aida Real Estate has grown into a multi-million rand business which has almost 100 head office staff – most of them women – and hundreds more women are involved through the 70 franchises.

Majority

The Aida National Franchise organisation has 335 agents and a head office staff of 65. The majority of them are also women.

The company was the first to introduce franchises to the property business, the first to pioneer show houses and the only estate agency listed on the JSE.

Three of the company’s most senior positions are held by women: chairman and MD Aida Gelfen, Aida National Franchises MD Charlene Lea, and sales director Joan Richter.

Develop

All have served in these positions for many years. Five women sit on the company’s board of directors.

Richter says: “We feel we can acknowledge and develop the skills of women in order to realise an evolving career for them and for women to be able to carve a niche for themselves in a field which has great importance in the new SA.”
GOLD AWARD

Southern womanhood

Assurance giant Southern Life is this year's winner of the Gold Award, which recognises companies that have excelled in advancing the position of women in the workplace.

The award's chief adjudicator, Nedbank Executive GM Philip Bacchion, said this week that Southern has opened up many opportunities for women. "It is quite evident that Southern is paying attention to its female staff and doing everything possible to promote them."

At Southern, 54.3% of the staff are women. In addition, 57.5% of the senior positions are held by women and 20% of the management positions are occupied by women, who also account for 51% of executive positions. There are only six qualified female actuaries in SA and Southern employs three of them.

Says Southern MD Jan Calitz: "While Southern has made great strides in improving the lot of women in the workplace, we will continue giving attention to matters such as child care and greater flexibility of working arrangements, both in terms of office hours and interrupted career paths."

But while women have gained from better

fringe and maternity benefits, their absence at the executive level stands out.

Says Bacchion: "It is quite clear there is not enough movement of women up the corporate ladder. In the US, for example, around 30%-40% of the executive work force is comprised of women. In SA, this is not so. We did notice a great improvement at the senior management level, but almost no movement of women into executive ranks."

More than 60 entries for the award were received. Also singled out for its efforts in the past year was Rennies Travel — a previous winner — which received a Certificate of Merit.

The award has been presented annually for the past 10 years by the internationally affiliated Federation of Business and Professional Women. Says president Sharon Lain: "Firms which have come out tops in the Gold Award have done so because of employment practices that place work performance, training and skills above gender."

Previous winners include Anglo-Alpha, last year; Pick 'n Pay; Nestlé; Gilbeys; Rennies-Thomas Cook; and the Carlton Hotel.
Southern wins for boosting women

31/1/91

THE Gold Star award for doing most to enhance the position of female staff went to Cape Town-based Southern Life at a black tie banquet in Johannesburg.

The award, given annually for the past decade by the internationally affiliated Federation of Business and Professional Women, recognizes companies which have done most in the past year to enhance and advance the position of women at work.

Chief adjudicator Philip Bacchioni said Southern won the award because of the great strides it had made in opening up opportunities for women.

"We awarded them a Certificate of Merit last year because of this and the Gold Award this year because their proposals have now begun to bear fruit.

"It is evident that Southern Life is paying attention to its female staff and doing everything possible to promote them."

Female employees of Southern Life compose 54.2 percent of the total staff. Of these 57.5 percent are in senior positions, 20 percent (58.7 percent last year) in management positions and 5.1 percent (3.5 percent last year) in executive positions.

Standard fringe benefits for Southern employees, including women, include 13th cheques, special performance bonuses, personal loans, interest-free study loans and study leave, maternity/paternity leave and flexitime.

The company is continuing its efforts to eliminate all barriers to promotion as it celebrates 100 years in South Africa this year.

Southern Life Managing Director Mr Jan Galitz said he was thrilled at the news of the award, specially as the company had been entering the competition for the past five years.
Sage Life products to help jobless during retrenchment

SAGE LIFE has launched two products against personal losses from retrenchment, MD Morris Bernstein announced on the weekend.

Bernstein said a new short-term insurance company — Sage Specialised Insurances — had been jointly formed by Sage Life and IGI Insurance to house the new products. He said “Job Loss Insurance” and “Bond Payer” were the first retrenchment provision products worldwide.

Bernstein said Sage had to launch Sage Specialist Insurances (SSI) because of legal restrictions applying to the products. As a result, Sage holds an 80% stake in the new company and IGI 20%. SSI would act as underwriter of the products which come onto the market today.

Both products would be marketed via the ABSA group, of which Sage is a subsidiary, and by IGI’s short-term sales force.

Bernstein said Job Loss Insurance would be aimed at the executive market, which is not catered for by the Unemployment Insurance Fund (UIF). Companies are legally obliged to deduct UIF contributions from employees earning less than R3 861 a month.

Job Loss Insurance would provide policyholders who had been retrenched or made redundant with 80% of their gross monthly salary on either a 6-month or 12-month cover basis. Premium rates would depend on the length of cover.

Bernstein said a recent survey conducted by Sage showed a marked increase in executive retrenchments over the past year. As a result, he expected Sage’s new product to prove highly successful.

Government restrictions have limited the marketing of Job Loss Insurance to employees earning gross remuneration of at least R4 000 a month. In addition, the product is only available to individuals employed for more than two years by the same employer.

Bond Payer would be marketed to individuals earning at least R2 000 gross a month. The product would ensure bond payments in the event of retrenchment.

Bernstein said bond payments were normally the largest monthly cost for individuals.
BLACK maintenance workers claim they were assaulted and treated differently from white people during the bank siege at the Liberty Life Building in Johannesburg yesterday.

Mr Obad Mgutchwana - one of the nine workers from an air conditioning company who were temporarily detained by police - said they had heard shots while taking a tea break in an empty room on the 12th floor.

Kaffirs

They locked the door of the room, but police knocked on the door and ordered them to crawl to the lifts.

Mgutchwana said some of them were accused of having guns and were assaulted and called kaffirs by the police.

He also said two of his colleagues, Mr Jonas Modike and Mr Robert Nkomo, were arrested and taken away by the police.

"I was slapped across the face and felt terribly hurt. I do not think we deserved to be treated in that manner because we had our blue uniforms on, with the company's name on the back."

"One can only assume that the treatment was meted to us simply because we are black," he said.

Mr Melville Niemand, a white maintenance worker in the building, said other workers harassed by police had told him of their experience.

He said although also in the building, he was only told to leave the premises when he left the lift on the ground floor.

A spokesman for the Witwatersrand police said he could not comment on the alleged incident because he was not present.

Disciplined

However, he said the concerned people could lay a charge at John Vorster Square and the matter would be investigated.

"The police received a report that black men were robbing a bank and it is possible black people in the building were regarded as suspects.

"But policemen found to have overstepped the mark will be disciplined," he said.

Policemen and traffic officers in full control of the situation during the foiled bank robbery in central Johannesburg yesterday.

PIC: MBUZENI ZULU
By S BUMINGADI

A FORMER First National Bank (FNB) manager is taking the bank to the Industrial Court for “unfairly” dismissing him recently.

The FNB is opposing the application which is set down for hearing in the Industrial Court in Durban on December 9.

In his founding affidavit, former Ulundi branch manager Bongani Wilson Xulu alleges that his troubles started in November last year when the bank transferred him from the KwaZulu capital to Durban.

Since then, Xulu claimed, the bank had inundated him with disciplinary warnings “which were clear evidence that it was victimising me and preparing the ground for getting rid of me”.

The bank allegedly refused to reimburse him for expenses of R2 800 he incurred when he moved his belongings and family from Ulundi back to his home at Umlazi.

Shortly after assuming duties as assistant manager for the Bhariene branch, Natal FNB group personnel manager S Pascoe informed him that he had exceeded his credit card limit.

The former banker decided not to pay the excess because the bank owed him his removal expenses, which it had refused to pay.

The bank went on to issue a warning in January this year on a “minor” incident which had occurred in August 1989.

Xulu said the fact that the bank took disciplinary action against him when quite clearly it had had more than a year to take such an action and had elected not to do so, was clear evidence that it was victimising him and preparing the ground for getting rid of him.

He declined to sign the warning as he believed it should have been preceded by a disciplinary inquiry to establish if he was guilty of any misconduct.

In May this year the bank issued another warning without a prior disciplinary inquiry, once again in his absence.

“In the previous (January) written warning Pascoe called me to his office after he had filled out the warning form,” Xulu said.

“However, this time I received notification that a written warning had been issued against me without any prior notification that the bank believed I was guilty of misconduct and that some disciplinary action was being contemplated,” the banker concluded.

“[The bank] was clearly trying to accumulate warnings against me so they could get rid of me,” Xulu stated in his affidavit.

The bank allegedly hired a repairman to repair his company car without authority.

Court challenge

The businessman noted that he joined the bank in 1979 and no disciplinary warning had been issued to him until 1990 after he had challenged his transfer from Ulundi in court.

Xulu appealed against the warning.

He noted that both the January and May warnings were each recorded as a “second written warning”, although he had not been given a warning prior to January 1991.

He submitted that this was indicative of the bank’s malicious motives to prepare a foundation to justify his dismissal.

On August 7, Pascoe handed him a letter which stated that he was required to attend a disciplinary inquiry to answer a charge of indebtedness.

The letter read as follows: “Because of your indebtedness to FNB First Card for R6 540 plus interest and legal fees, a writ was served against you which resulted in a return of Nulla Bona and you have committed an act of insolvency.”

He made several attempts to get a postponement of the disciplinary proceedings in order to remove the basis of the charge against him. He submitted that if he was successful in doing this, the bank could not have gone ahead with the charge.

The hearing culminated in his dismissal from the bank.

He denied he had committed any act of insolvency since he had a house worth more than R100 000 and a car worth more than R10 000 and that therefore he should not have been found guilty.

“I further submit that even if I was guilty of an act of insolvency, that did not warrant my dismissal. I have been in the employ of the bank for 10 years, during the first 10 of which I maintained a clean record without any disciplinary warnings whatsoever.”

“The bank could have approached me with a view to making deductions from my monthly salary,” the banker said.

The FNB is yet to file replying papers in the Industrial Court.
FNB deals with the trauma of robbery

THE day had all the signs of a normal Tuesday morning at First National Bank's Johannesburg's Corporate Headquarters two weeks ago, until seven armed men stormed through the doors, jumped over the counters and pushed the bank workers on to the floor.

Wearing balaclavas, they screamed continually and used their guns to prod and butt bank workers mercilessly. One of the robbers systematically yanked jewellery off women employees.

The crack Robbery and Reaction Unit of the South African Police arrived within minutes and the robbers, caught unawares, fired wildly. A woman was shot and her colleagues recounted how “the bullet entered her chest and left through her back”. Another woman says a bullet flew past her head and she thought she was going to die.

Three of the men were killed in the shootout and their bloodied bodies were carried out of the bank past their former hostages.

The Hollywood-like drama was over in an hour but its horror and repercussions live on. Like a stuck record, the robbery repeats itself over and over again in the minds of staff caught in the crossfire of bank robberies. Many suffer repeated nightmares and flashbacks.

Sleep disturbances and delayed shock are other problems facing those involved in bank robberies. Research has found that productivity declines, family life suffers, absenteeism increases and that bank staffers resign from banks which had been held up.

Hypervigilance with its symptoms of “continually looking over your shoulder, an inability to concentrate on your work and suspiciousness” was also noted, say Professor Diana Schumuker and Dr Merle Friedman, of the Trauma Clinic based at the Psychology Department of the University of the Witwatersrand.

They undertook research for FNB into the effect of bank robberies on their staff. All their findings pointed to post-traumatic stress syndrome. As a result of their findings, the bank two years ago established its Post Trauma Stress Unit, the first in the country. Since then every other major financial institution has approached FNB for assistance in setting up their own trauma units.

Nationally based, the unit is comprised of employees who are called out whenever there is a robbery. The counsellors are drawn from the bank and do trauma counselling over and above their normal work.

When a robbery occurs, the bank’s group personnel division gets together the region’s counsellors. Once or twice, counsellors have even been flown by helicopter to robbery scenes.

Counselling takes place at the scene of the robbery because the sooner it is done, the less pronounced the trauma symptoms will be. The first step is to “normalise the situation”, believe Schumuker and Friedman — “to make people realise that they are experiencing entirely normal responses to trauma”.

Counsellors then go back to the bank the day after the robbery to help the employees back into the situation. Often they are fearful and hesitant to go back into the bank. Victims are encouraged to talk about the incident and they are assured that the symptoms will pass.

A week after the robbery, the counsellors return and everybody "from cleaners to managers go for further counselling".

The bank is keen to stress that the counsellors do not take over the work of professionals. They are trained to watch for danger signs like depression and suicidal tendencies and to alert people to the need for professional help. Their training is continually updated by way of quarterly meetings.

Data from counsellors reveal a great deal of success for the unit's work. Most of the employees who have been counselled do not need further therapy.

By CASSANDRA MOOLEY

AN Inkatha Central Committee member has been accused of forcing workers at his bus company to sign letters apologising to Chief Mangosuthu Buthelezi for joining the “ANC affiliated" Transport and General Workers Union.

Workers at Ulundi Transport Services have unleashed a string of allegations against the owner, BA Sithole.

TGWU Empangeni branch secretary Bheki Mthembu said Sithole had intimidated workers for joining the union, threatening them to sign letters of resignation or they would be dismissed.

Eight workers had already been dismissed since September for “union activities”, according to Mthembu. The union also claimed that Sithole had said the bus company offices were in the Buthelezi tribal area so he ordered workers to apologise in writing to Buthelezi for "joining a trade union without his blessing".

Employees also allege that Sithole forced them to join Inkatha, and personally collected a R5 Inkatha membership joining fee from each worker.

When the union requested a meeting with Sithole, he referred them to the amakhosha (chiefs), indunas and counsellors in the area, Mthembu said. A meeting was then arranged for September 18 with the indunas, including Buthelezi's father and Sithole. But the meeting was called off when Sithole demanded that union officials produce their Inkatha membership cards before they entered the meeting.

The union warned Sithole that if he does not respond within 14 days to its letter detailing grievances, it would declare a dispute. Sithole has denied all allegations. He said his workers did not belong to TGWU but they could "apply for permission from the amakhosha".

Sithole is also the director of kwazu Transport. He is said to be a relative of Buthelezi and runs most of the businesses falling under the Buthelezi Tribal Authority, including the Ulundi Transport Services, Nkomnji Fresh Poultries, Mahlabathini Bottle Shop and the beer hall in Mahlabathini.
**Pretoria town hall**

**Pretoria oversees townships' rescues**

ANC spokesman Cill Mearns said yesterday that the council had been conducting a series of workshops and training for workers in the townships. The workshops were aimed at improving the delivery of services and providing training for workers in the townships.

The workshops covered a range of topics, including maintenance and repair of water and electricity supply systems. The training would focus on developing the skills of workers to ensure that they are able to carry out their duties effectively.

Mearns said that the council was committed to improving the lives of residents in the townships. He added that the workshops and training would help to ensure that residents received the best possible services.

The workshops and training were being carried out in collaboration with various partners, including the Department of Water and Sanitation and the Department of Public Works.

Mearns said that the council was also working on other initiatives to improve the lives of residents in the townships. These initiatives included the provision of basic amenities such as water and electricity, as well as the construction of new housing.

He added that the council was also focusing on improving the economy of the townships. This included the development of small businesses and the creation of jobs.

Mearns said that the council was committed to ensuring that residents in the townships had access to basic amenities and opportunities for economic growth.

The council had been conducting workshops and training for workers in the townships to improve the delivery of services and provide training for workers in the townships. The workshops covered a range of topics, including maintenance and repair of water and electricity supply systems. The training would focus on developing the skills of workers to ensure that they are able to carry out their duties effectively.
Union declares dispute over FNB 'refusal' to talk

The SA Commercial Catering and Allied Workers' Union (Saccawu) said yesterday it had declared a dispute with FNB, alleging the bank had refused to negotiate working conditions with the union.

Spokesman Stanley Mngomezulu said Saccawu, which represents 1,500 FNB employees, wanted to negotiate on issues including the bank's medical aid scheme, racial discrimination, the refusal to extend stop order facilities for union fees to Saccawu members, maternity leave, and the abuse of the bank's disciplinary code and procedure by management.

According to the union, FNB was unwilling to negotiate, saying Saccawu represented an insignificant number of employees in the bank's 23,000-strong workforce and because the company had established a sound collective bargaining relationship with the SA Society for Bank Officials.

FNB spokesmen could not be reached for comment yesterday.

The union had referred the dispute to a conciliation board which was expected to sit next January.

Meanwhile, a lockout of 500 workers engaged in a labour dispute with Sun International (Ciskei) continued yesterday.

And at the Riviera International Hotel in Vereeniging a two-week lockout of Saccawu members remained unresolved.
Bank responds to union's allegations

NAB SA Commercial, Catering and Allied Workers' Union (Saccawu) had not provided proof of membership at FNB despite the bank repeatedly inviting it to do so, FNB senior GM Jimmy McKenzie said on Friday.

McKenzie was responding to a Saccawu statement last week that it had declared a dispute with FNB, alleging the bank had refused to negotiate working conditions with it.

McKenzie said the format of a relationship with the union would depend on its representation within the bank.

Meanwhile, Sapa reports FNB employees have instructed the 38 000-member SA Society of Bank Officials to conduct a strike ballot after a breakdown in salary talks.