FOREIGN FIRMS IN S.A.

UNITED STATES
OF
AMERICA

JAN — DEC 1981
ASA net asset value rise underlines gold boom

By JOHN MULCAHY
ASA, the US-based gold investment trust, shows a clear indication of the gold boom over the past few years, with its net asset value having risen to R4,90 a share at November 30, 1980 from R3,22 the previous year and R15,66 in 1978.

The trust’s annual report indicates that the market value of investments in gold mining companies rose to R103,600,000 in 1980 from R76,136,914 the year before, despite a fall in the cost of the portfolio from R65,030,516 to R54,448,816.

ASA’s investment income is more than doubled in the year ended November 30, 1980, to R7,655,658 from R2,076,281, and the net realised and unrealised gain on investments increased to R79,118,140 from R16,191,974.

In the annual report the directors note that all sectors of the South African share market showed further improvement during 1980 due mainly to the effect of higher gold prices and good demand for a number of other mineral exports, including coal.

At November last year 81.7% of ASA’s net assets were centred on gold share investments, with the balance split among coal, diamonds (De Beers), platinum and manganese.

In a review of the gold mining industry ASA’s directors point to the rise in the average price received by the gold mines, from $273 an ounce in the first nine months of 1979 to about $400 in the same period of 1980.

The effect of the increase was to make many blocks of ore profitable to mine which were previously unprofitable due to their low gold content.

The average grade fell from 8.27 grams/ton of ore milled in the first nine months of 1979 to 7.37 grams/ton in the same period of 1980.

"It must be expected, in the absence of a marked setback in the gold price, that the decline in average recovery grade will continue in the foreseeable future."

A further point is the hike in production costs, which rose to R34,90 a ton milled, an increase of 17% over 1979, which was largely due to increases in wages and salaries, coupled with an inflation rate of more than 13% and additional expenditure on re-opening or opening new areas.

ASA’s estimation there appears to some optimism on the likely rate of increase in production costs in the year ahead, but it seems unlikely that the rise will be less than 15% to 20%.

"This, coupled with the tendency for recovery grades to decline at many mines, suggests that the emphasis in gold investments should be on the better-class mines with adequate lives."

On gold itself the ASA directors note that gold now vies with the dollar as the principal reserve asset in the international banking system and is valued at a market-related price by virtually all the leading industrial nations, with the exception of the US, in determining foreign exchange reserves.

Adjustments in ASA’s share portfolio during the year to November last included the reduction in its Doornfontein holding to 194,400 shares from 568,200, acquisition of 97,300 Western Deep Levels shares and a further 5,000 Hartebeesfontein shares and 85,000 Stillfontein.

The trust disposed of its holding in Goldmining President Brand during the year, while raising its interest in Wesselton to 1,192,200 from 1,152,200, and reducing its Randfontein stake to 27,200 from 58,900.

Apart from gold, ASA’s most important investments are in energy stocks and diamonds. The energy investments comprise shareholdings in Transvaal Consolidated Lands, Amoco, Trans-Natal Coal, Sasol and Tawistock.

The trust’s investment in Sasol will be increased this month as additional shares are issued in terms of the original offer.

On the South African economic situation the ASA directors point to the last Budget, which had a favourable bearing on taxes paid by gold mining companies, while the loan levy was also cancelled. Resulting from the changes the distributable profits of “better-class” gold mines increased by an average of 12.8%.
Triomf-Occidental link

By DAVID CARTE
Deputy Financial Editor

Occidental Petroleum of the US, the world's 16th biggest corporation, is to take a "substantial" shareholding in Triomf Fertiliser Investments.

Triomf says Occidental (Oxy) is negotiating to acquire the stake in Triomf through the Louis Luyt Group.

In return Mr Louis Luyt will obtain a "substantial" holding in Oxy.

The size of the respective shareholdings is not disclosed as they are still being negotiated.

According to the announcement, the deal will not lead to a change in control of Triomf. Because the deal is being negotiated through the holding company, ordinary shareholders are not directly affected, but Triomf says both companies will benefit.

Triomf says the link will reduce international marketing and distribution costs for both companies. While Oxy will be able to concentrate on northern hemisphere customers, Triomf will be able to concentrate on those in the southern hemisphere, so there will be immense logistical savings.

The deal will also enable Oxy to use its five 40 000-ton phosphoric acid carriers more economically.

The research and product development expertise of Oxy, Triomf and AECI will be pooled as a result of the cross shareholding and the combined companies will have greater buying power in the procurement of raw materials.

As a petroleum company, Occidental is a major sulphur supplier. Sulphur is a major input and a major cost factor in phosphoric acid production - another good reason for the deal.
CAPE TOWN—Occidental Petroleum of the U.S., the world's 15th biggest corporation, is to take a 'substantial' shareholding in Triomf Fertiliser Investments.

An official announcement by Triomf yesterday says Occidental is negotiating to acquire the stake in Triomf through the Louis Layt group.

In return Mr. Layt will obtain a 'substantial' holding in Occidental.

The size of the respective shareholdings is not disclosed, as they are still being negotiated.

According to the announcement, the deal will not lead to a change in control of Triomf. Because it is being negotiated through the holding company, ordinary shareholders are not directly affected, but Triomf says both companies will benefit.

The deal will enable Occidental to utilise its five 40 000-ton phosphoric acid carriers more economically.

Our Financial Editor writes that the deal will most likely enable Triomf to secure a larger share of the southern hemisphere section of the phosphoric acid market as between the two companies they market about 75 percent of the world acid market.

The Richard's Bay plant is presently not working to capacity and expansion is not likely in the near future.
Armco to go ahead with R35-million mine

Geoff Shuttleworth
Armco Bronco, the South African subsidiary of Armco US, is to go ahead with a 200,000-ton-a-year fluorspar mine and plant near Zerust at a cost of nearly R35-million.

Mr Eugene Pienaar, managing director of Armco Bronco, said that R4.5-million will be spent on the first phase of the project which will involve a detailed feasibility study and the sinking of a shallow pilot-shaft into the centre of the orebody.

He said that current projections are to be in operation by 1983 at an initial production of 200,000 tons a year, all of which would be exported.

The new Armco mine will be second in size only to Genco's fluorspar mine.

Two major ore bodies of 20 million tons of recoverable ore have been delineated but Mr Pienaar noted that a much larger potential exists on other properties also under Armco control. The mineral rights in the delineated area were bought from Esso Minerals.

Immediate plans call for engineering design on the mine and processing plant, which employ the latest environmental techniques.

The underground section of the mine will be developed at a point where the fluorspar beds are more than 10 metres thick. He said that although the ore was classified as medium-grade, it had the advantage of being geologically undisturbed and free of contaminating minerals.

NIM testing of samples indicates that high-grade acid-grade fluorspar can be economically produced from the ore, he noted.
Americans to develop mine

By GEOFF SHUTTLEWORTH

ARMCO BRONNE, the South African subsidiary of Armco Inc of the US, is to go ahead with the development of a 200,000-ton-a-year fluorspar mine near Zerust at a cost approaching R35 million. At present Bronne's only other significant interest in South Africa is its 30 percent stake in Manico Chrome.

The proposed mine will be second in size only to Gencor's Buffalo fluorspar mine.

Armco will spend R4.3 million on the first phase of the project, which provides for the acquisition of some mineral rights under Armco control and the simultaneous start of preliminary development work and of further exploration in the surrounding area.

Managing Director, Eugene Pienaar says extensive drilling has confirmed the existence of at least 40 million tons of recoverable ore in two orebodies.

This considerably enlarges proven fluorspar ore reserves in South Africa which, according to the Minerals Bureau, are more than 30 million tons.

A much larger potential deposit than the one to be mined exists on another property also under Armco control.

Genung, J B M Heritzog Prize

D H Pyece Lawes

of Professional Practice, Surveying, in the subject Architecture (or Quantity Surveying) for the best student of the David Hadmon Prize

Miss C Tregeagd

in this year for the best woman student of the Molly Goli Memorial Prize

P a Hopkins

in the last two and third major courses, satisfactorily completed for a student who has the Helen Gardner Israel Prize

P F Durnley

Sixth Year

for the best student in -- Cape Provincial Institute of Architecture, Prize

FINE ART & ARCHITECTURE
Tanker spent R1 m at Cape

By GEORGE YOUNG
Shipping Editor

AMERICAN-owned and Italian-managed 270,000-ton tanker Coalinga, which has dominated the dock scene for seven weeks, will leave behind an estimated R1 million when she finishes sanding and painting this week and sails for the Persian Gulf.

The tanker was towed in at the end of November after the electric motors of the forced draught fans in the boiler room had burnt out, and in addition to these repairs the tanker received modifications for degassing empty tanks. The hull above surface was sand-blasted and is in the final stages of repainting.

The owners elected to effect the work in Cape Town, when the demand for ships heading in the Persian Gulf was reduced, and last year, technicians from local yards sailed with the tanker preparing specifications for the piping associated with the inert gas plant to be installed.
Appliance firm and union holding talks

Labour Reporter

Hoover, the American-owned appliance giant, has held talks with the South African Allied Workers' Union (SAAWU) in East London.

The union, which represents most of the workers at the Hoover plant, has been involved in labour unrest in the Western Cape and has refused to register.

The managing director of Hoover in East London, Mr Edward Ashdown, said that because SAAWU represented most of the company's employees, management had met union officials at the plant and in East London.

"A lot of us (managements) realise the black man is going to find an affinity to a trade union movement," Mr Ashdown said.

"We have not accorded them formal recognition but we have to talk to our employees, and so we do so through elected shop stewards of SAAWU."

He also said the company had "talked to SAAWU" about its reluctance to register and said he personally could not agree with this attitude because it was better to negotiate with a registered body.
1000 PE blacks
strike over
new pension plan

Own Correspondent
PORT ELIZABETH — The entire black work
force at the Firestone plant here has downed
tools in protest against
the Government's pro-
posed legislation to stop
employees withdrawing
pension contributions
when they change jobs.

Almost 300 night shift
workers refused to man
their posts last night, many deciding to stay
away while others were
turned away by man-
agement.

The workers were today
joined by another 500
day shift workers who
joined to the factory
grounds demanding that
management pay out all
accumulated benefits to
date.

They were to be joined
by another 500 workers
on the afternoon shift,
bringing the total number
of striking workers to
1,500.

Several workers called
for the release of fellow
workers who they alleged
were detained by security
police on Saturday after-
noon.

This has been denied.
Firestone workers have
rejected the company
labor relations committee and are
demanding that man-
agement convene a meet-
ing to address the entire
work force at the plant.

Management today
called on workers to meet
two representatives from
the Firestone National
Munitions with the firm.

The managing director,
Mr G P Morun, said
that the strike could be
attributed to a "comminu-
ation problem."

Under the proposed
pension legislation em-
ployees will not be able to
withdraw pension contrib-
utions until retirement.

Many workers feared
they would lose their
contributions to date, but
this was not the case, said
Mr Morun.

He was strongly op-
posed to workers pulling
out of the pension
scheme. "If they do with-
draw, their losses will be
incurable. But if they
are adamant about it, we
will pay them out," he
said.

However, workers would
have to resign in order to
claim their pension contri-
butions and would lose
the firm's contribution.

Workers would then
have to seek re-
employment and would
have to work for another
year before they could
rejoin the pension
scheme.

In this month's
for the best woman student
Molly Goh, Memorials Prize

p a Hogan

for the best major course
Statistical Computing

for a student who has

Helen Calatayud, Travel Prize

p F Dunkley

Sixth Year

for the best student in:

of Architecture, Prize

Cape Provincial Institute
Talks to end strike deadlock

The Star Bureau
PORT ELIZABETH — Negotiations started today between 20 labour representatives and the management of the Firestone plant here to bring an end to a deadlock between these two parties since 1,500 black workers went on strike yesterday.

The negotiations could avert an impending clash between management and the black labour force later today when hundreds of workers could lose their jobs if they do not meet a deadline to be back at work.

The workers on strike initially refused to negotiate with management unless the managing director, Mr. Peter Mompr, addressed them in person.

A gathering of about 200 workers outside the plant gates this morning chose 12 black and 10 coloured men to represent them.

FINE ART & ARCHITECTURE

Discipline, 11th Form, 6th Year

FOR THE BEST STUDENT IN:
Capetown Polytechnic Institute
Cape Provincial Education Institute
Industrial Art

Name: David Hutton
Year: 11th Form
For the best student in:
Industrial Art
FOR THE BEST STUDENT IN:
ARCHITECTURE

Name: John Pardy
Year: 11th Form
For the best work in:
Architecture (Or Quantity Surveying) in the subject
FOR THE BEST STUDENT IN:
David Hutton
Year: 11th Form
FOR THE BEST STUDENT IN:
Miss C. Redgold
Year: 11th Form
FOR THE BEST WOMAN STUDENT:
Molly Good Memorial Prize

Name: P. Hopper
Year: 11th Form
FOR THE BEST STUDENT IN:
Physics, 2nd and 3rd major courses.
Satisfactorily completed for a student who has
Helen Gardner Travel Prize

Name: P. Dunkley
Year: 11th Form
FOR THE BEST STUDENT IN:
Architecture, 1st Form
FOR THE BEST STUDENT IN:
Industrial Art
FOR THE BEST STUDENT IN:
Architecture, 2nd Form
Ford notches up 250 000 Cortinas in SA

PRODUCTION of Ford Cortinas in South Africa recently reached a total of 250,000, 18 years after the model range was introduced here.

In that period R18-million in tooling and facilities, local components worth millions of rands, hundreds of millions of kilograms of materials and countless man-hours have gone into building Cortinas.

The car has undergone extensive restyling and uprating in the course of its evolution. The Mk 1 was introduced here in 1962, the Mk 2 in 1967, the Mk 3 in 1971 and the Mk 4 in 1976. The recently launched Mk 5 incorporated changes in styling which were probably the smallest involved in any of these changes, yet significantly altered both the appearance and habitability of the car, and considerable engineering changes. One of the most important of the latter was a five-link rear suspension system, developed in South Africa, which markedly improved roadholding and handling.

"As the Cortina consolidated its position in the market we invested increasingly in its local development, engineering and manufacture. When the Mk 1 was first produced in 1963 the local content level was only 12%. Today, in terms of the Government’s local content programme, the average for the range of cars stands at an impressive 71%", said Mr Brian Pitt, managing director of Ford in South Africa.

The development of the car range to suit local conditions also led to the production of the company’s One-Tonner light truck. It was developed, engineered and tested in South Africa and launched late in 1977. Nearly 19,000 were built in the first year, making it the country’s top selling light commercial vehicle in 1978. It is still a market leader in its class.

The success of the Cortina led the company to invest R9,25-million in building what is claimed to be the most modern assembly plant in the southern hemisphere. The plant started operating at the end of 1973 and is the only one in South Africa devoted to manufacturing a single vehicle range. Present production is more than 100 Cortinas a day.
Walkout hits Firestone's production

Labour Reporter

Production at the Firestone Tyre plant in Port Elizabeth has been seriously affected following this week's walkout of about 1,200 workers. Managing director Mr Peter Morum, said the workers had effectively "dismissed themselves" by not turning up for yesterday's two shifts and today's early morning shift.

He described the reason for the walkouts as "totally illogical."

Management had met with worker representatives over the last two days and told them their major grievance — pension payouts — had been resolved.

Workers had expressed fear over proposed legislation which would freeze pensions until the age of 65.

But Mr Morum said they had an exemption from the proposed ruling and Firestone employees had been informed of this but they had still walked out.

S A Read

for the best final-year student.

General J O Hertzog Prize

D H Pyce Lawns

of professional practice

satisfactorily completed

for a student who has

Helen Gardner Travel Prize

P A Hopgood

in this year

for the best woman student

Molly Carl Memorial Prize

P F Dunkley

Sixth Year

for the best student in:

of Architects' Prize

Fine Art & Architecture
Cut in capital by Dunlop International

DURBAN — Dunlop International's interest in Dunlop South Africa will be reduced from 70 percent to 51 percent of ordinary issued share capital, if the South African company's ordinary shareholders approve resolutions for private placing by the Standard Merchant Bank of 2,850,000 ordinary shares with a number of institutional investors.

The bank announced the placing yesterday. It amounts to 19 percent of Dunlop South Africa's issued ordinary share capital, at a price of 600c a share (ex-dividend).

The amount to be realised by Dunlop International is R12.1 million.

The private placing will not result in any changes to the management of Dunlop South Africa or to the continuance of the managerial and technical support.

Full details of the placing and the mechanisms by which it will be effected, together with a notice of a general meeting of the ordinary shareholders of Dunlop South Africa, will be posted to shareholders on February 2, 1981. — Sapa.
<table>
<thead>
<tr>
<th>Corporation Medals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second Year (Bronze Medal)</td>
</tr>
<tr>
<td>Miss G C Littleworth</td>
</tr>
<tr>
<td>Third Year (Silver Medal)</td>
</tr>
<tr>
<td>P M Salmon, T J Cumming, D P Weeks, J H Rens, B F McCleland</td>
</tr>
<tr>
<td>Fourth Year (Gold Medal)</td>
</tr>
</tbody>
</table>

**Professor George Menzies Prize**
Awarded on results of final examinations to the best male student in Land Surveying or Civil Engineering:
- 1st: L Menegaldo
- 2nd: H Rens

**J W Sacks Memorial Prize**
Awarded to the student with the best classwork in Engineering Drawing:
- 1st: G L Cragg

**A & C I Prize**
For the first year student obtaining the highest average mark.

---

**Chemical Engineering**
Fedvolks gets 75% of Firestone

By DAVID CARTE
Deputy Financial Editor

FEDERALE Volksbeleggings has bought 75% of Firestone SA from Firestone of the US for an undisclosed sum.

Partly to finance this deal, FVB has also announced a R30 million rights issue of 9.5% RS convertible preference shares.

This is the second large acquisition FVB has made from a major North American company in the past year. Last March it bought 70% of Massey Ferguson from that company's Canadian parent.

Firestone SA "has about 25% of the South African car tyre market, Federale chairman, Dr P Rousseau told a news conference yesterday. He believed this made it No 2 in its field.

It has two major factories, one in Port Elizabeth and one at Brits, and employs 2,400 people.

Dr Rousseau stressed that the sale was not "disinvestment from SA" by Firestone SA. He said Firestone US sold to FVB as part of a new policy of involving partners in its overseas operations.

He showed reporters a copy of a letter from Mr John J Nevin, president of Firestone US, stating: "It's my view that companies like the Firestone Tire and Rubber Company will be more successful overseas, long term, if they associate themselves with partners who are nationals of the countries in which we are doing business."

Firestone has such associates in Japan, Mexico and Spain.

Firestone US is under new management and is also trimming its sails in the recession, selling off other subsidiaries as well.

Dr Rousseau said the management of Firestone SA was nearly entirely South African and would not be changed.

Mr Peter Morum stays as managing director, and Firestone US will have two representatives on the board: its president, Mr Nevin, and vice president, Mr Jack M Curney.

Dr Rousseau said Firestone SA would continue to benefit from US know-how and a technical agreement had been signed.

The reason price has not been disclosed, according to Dr Rousseau, is "the details are subject to exchange control regulations: always a sensitive issue."

Dr Rousseau confirmed that Firestone SA would use synthetic rubber from Sentracern's R160-million plant being built at Newcastle. Sentracern is also a subsidiary of FVB.

The convertibleprefs will be issued on a basis of 22 prefs for 100 ordinary shares. They will be convertible when the ordinary dividend exceeds the pref dividend of 47.5c. Sam Edel will underwrite the issue.

While it was unprepared to comment on price, profits or even turnover, Federale said the acquisition would be favourable to profits. Dr Rousseau would say only that he acquisition would absorb more than half the R30-million being raised by the pref issue.

COMMENT: Perhaps Firestone doesn't want a South African partner and perhaps it is trimming its sails internationally, but it is hard to imagine that the political problems of US investment in SA did not enter the equation. Especially with the Rev Mr Sullivan breathing down US companies' necks.

For this reason I would suspect that Firestone US was a fairly willing seller and the deal will turn out favourable to FVB.

The closest I could get to a price was one FVB source's statement that this was a "big" acquisition, amounting to something like 16% of FVB's assets. Last year these were about R565-million.
US churches hot up war on SA economy

WASHINGTON. — Nuclear energy and South Africa’s racial policies are the major targets of this year’s church-sponsored campaign for corporate responsibility in the United States.

The campaign, co-ordinated by the National Council of Churches’ Interfaith Centre on Corporate Responsibility, will offer stockholder resolutions at meetings of some of the largest US corporations.

More than 50 religious organisations holding approximately $25-million in stock will take part.

Officials said 25 companies would be asked to change or review their investment policies in South Africa. Eight others would be petitioned on nuclear issues.

Other church-backed resolutions will be offered on a variety of subjects including plant closings and toxic chemicals.

The South African investment campaign is in its 11th year, and Mr Tim Smith, NAARC’s executive director, said: “Church commitment is stronger than ever.”

He said support for the apartheid campaign was growing, especially among institutional investors.

Among this year’s resolutions involving South Africa:

- Wells Fargo Bank, Crocker National Bank and Merrill Lynch will be asked to make or renew any loans to the Government “until the system of racist laws and regulations has been revoked”;.

- Control Data Corporation and Sperry Rand will be asked to terminate all operations in South Africa, and the Fluor Corporation will be asked to end its contracts with the Government.

- Hewlett-Packard and IBM will be asked to ban the sale, lease or service of computers to or for the Government, except in cases of exclusive medical or humanitarian use.

- Citicorp and Continental Illinois Bank and Trust will be invited to establish committees to review their loans to South Africa.

- Doyle Dane Bernbach Inc and Republic National Bank of New York, will be asked to end all involvement in the promotion or sale of Krugerrands.

- US Steel and Dresser Industries will be petitioned to adopt the Sullivan code outlining non-discriminatory conditions in the workplace — or to terminate all operations in South Africa.

- General Motors, Ford, and Eastman Kodak will be asked to review their South African connections.

- Mobil Oil will be asked to ban sales and services to the South African Defence Force or policies and Superior Oil to cease all operations in South West Africa.

The church-backed anti-nuclear campaign, in its second year, seeks to turn a number of utilities and investment firms away from nuclear power, urging them instead to focus on conservation and alternative energy sources.
Johannesburg - A major company has criticised the government's decision to grant trade unions affiliated to the Federation of South African Trade Unions (FASATU) registration.

Mr. Marcus Rogers, managing director of Kelloggs South Africa, said in an interview that his company was "disappointed" by the government's decision and felt that it made "a mockery" of labour reforms.

"The effect of this decision is that these unions are prevented from representing the workers of their choice and we sympathise with them in their plight," he added.

Kelloggs recognises a few so-called trade unions which are in conflict with the government's objectives for a better life for all. We have to work with these unions to improve their structures before we can accept them as legal unions.

"In any case, it is impossible for us to deal with the union that is not properly registered," he said. "The decision to grant FASATU registration was taken without considering the interests of the workers and the demands of the companies.

"We work with the company and the workers and we are confident that our workers will not be affected by this decision."
Wolmaid’s action is generally considered to have been a Good Thing.

Though his action may be admired, it cannot be argued that he was obliged to act as he did. Indeed, his fame rests precisely on the fact that he did considerably more than could reasonably have been expected of him.

It is difficult to avoid the conclusion that the shipwrecked passengers had no right to require him to rescue them; though of course they were no doubt pleased to receive aid. They had no legal claim on Wolmaid. They may, of course, have had a claim on the owners of the vessel, but this is a contractual matter about which no principle arises. To put the problem in a modern context, if a car breaks down by the side of the road nobody is obliged to stop and help.

Though there is no legal claim it may be arguable that there is a moral claim. If we argue that there is such a claim, however, the challenge is to define it. Suppose Wolmaid had been fifty miles away and heard about the wreck on his short wave radio. Is he obliged to help? If so, to what extent? Suppose that on the same radio he hears about a famine in India, involving far more lives than on the ship. Is he obliged to render help here also? In which case how does his position differ from ours? It is crucial to distinguish between legal obligations, which must be quite precisely defined, and moral obligations which cannot be.

We can only talk about rights if we are prepared to enforce those rights, to compel people to save shipwrecked passengers and to hold them accountable before the law if they do not.

Whether the ship sinks or the car stalls or the crops fail, the same argument applies. Suppose that instead of saving lives Wolmaid had gone home and set about campaigning for a lifeboat service or a lighthouse. Suppose that as a result both these services were established. As a consequence Wolmaid was able to save many more lives in the future (as well as his own). Is this less admirable? In general, should we invest in capital equipment now in order to increase food production later? This generation.


equipment now in order to increase food production later? This generation.

then, bears burdens to lighten the load of up loss of life (and loss of the quality of life) so wise as to know the answers?

Some economists, it is true, attempt empirically and pretend to believe their or nothing to increase our knowledge, though jibe that economists know the price of even

Although individually any one of us our ultimate obligation, it may be observed the according to this principle and it is difficult. To say the least, it would involve probably in the long run an increased debt to be employed as medical orderlies. The not useful as a basis for social policy b no time horizon. It tells us to save li to save. The moral claim argument, in a doctrine of Acts and Omission - "the belief that difference between ..... killing and not do not accept this distinction then we say there is no difference between exterminating and neglecting to send off an Oxford chauvinist, consequence of causing the death of a car.

In addition, Wolmaid’s deed raises a.

Having got to the wreck, on what basis w to save first? It is difficult to discern "women and children first" (besides being which women and which children. Suppos the purpose of saving his father. Would had the rule of women and children first been

hidden out at all. Could he be censured for this? If members of his
LABOUR RELATIONS

Sullivan slammed

Ford, alternately the villain and the hero of SA labour relations, is again in the hot seat this time over the second Audit by the SA Institute of Race Relations of its observance of the Sullivan principles.

The report points a glowing picture of Ford's "progressive" internal industrial relations structure and praises the company for its commitment to "the spirit rather than the letter of the Sullivan principles", and the realistic awareness of the role that the company can play in bringing about peaceful change in the directions envisaged by Sullivan.

Although written by a committee of two sociologists, Cecil Mannom and Juma Bax, an anthropologist, President of the Ford Labour Relations Committee, Professor Wolfgang Thomas and an economist, Professor Wessman Mukhisa, the report has drawn an angry response from unionists and has brought into question the usefulness of foreign labour codes and highlighted problems companies face in monitoring them.

The National Union of Motor Assembly Workers (NUMARVA) and the United Automobile and Allied Workers Union of SA (UAW) - two unions affiliated to the Federation of SA Trade Unions (Fosatu) which merged at the beginning of the year - and the Motor Assembly Components Workers Union of SA (MACOMA) have labelled the report "a whitewash" and say it gives unfounded credence to company adherence to the "questionable" Sullivan principles.

Says Fosatu, NUMARVA organise: "The spirit of the codes is unrecognised in the industrial situation in SA. They were primarily to improve the company's credibility but they are drawn up without proper consultation with workers and are being implemented in the same patronistic way."

He adds that Fosatu has taken exception to the mention of its standpoint on the wage issue being included in the report. Fosatu says Audit 2, unlike Audit 1, contains no interviews with workers and does not reflect the views of the black union active at Ford. "The report contains no views from organised black worker organisations participated in it. It cannot therefore reflect what is really happening.

The report finds that Ford has complied with Principle 1 of the codes - the non-segregation of races in all eating, comfort and work facilities. However, Duma Makanza, NUMARVA organiser, says that "toilet and eating facilities have been integrated but that is all."(Says)

The company has integrated some facilities but this does not mean integration of people. This step has in some cases hardened the attitudes of white workers who以前的 tendency."

On Principle 2 - the implementation of equal and fair employment practices, the report says: "While the structure of the company is essentially fair and opportunity is available to all, there is a need for continued training of workers to take advantage of the opportunities, in training supervisors and managers to transcendent stereotypes and in communication, especially across cultural divisions.

Says Makanza: "Nothing has changed in this regard in the company over the last two years. We would have to be the first to be convinced if it had.

Says Fosatu: "The problem of 'middle management' still remains. 'The problem of employment practices have made some advances in this respect. There are many people who do not share the same sentiments. The report does not consider this problem at all.

The report says that no racial discrimination exists in benefit plans. Makanza, however, points out that many workers joined the company when discrimination regarding wages and benefits were more evident. The present system only serves those who have joined recently.

Other workers are still receiving benefits and increments based on their initial wages. The company has done nothing to rectify this.

Under recommendations on grievance procedures, the report raises the issue of elected and company-paid shop stewards. The ambivalent position of the shop stewards is critical, according to the company, and leads to difficulties if these workers feel they are being cheated by the company or even by the union bureaucracy and are no longer fully representative or sensitive to worker feelings.

The report recommends annual elections, including union elections, and an expansion of union representation to include workers in all departments, not restricted to union members.

Makanza and Sants strongly condemn this notion as they feel it will mean the introduction of "long-term" shop stewards, because non-union members elected will have no responsibility to anybody other than management. Sants says, "Under whose authority will theseoperate?" The report seems to be advocating a union committee.

Audit 2 also says the policy adopted by the company concerning discrimination against blacks in organisational terms only has been "exemplary" and that the company, by avoiding showing favour to any organisation, promotes freedom of association within the organisation.

Although unionists agree the company has accommodated the formation of unions at Ford it was the first company to recognise the union. The report fails to acknowledge the compulsive power in the face of repression of the black trade union. It is a case in point. Thamo Bhele, who was banned and subsequently fled the country with regard to Principles 4 and 5 developing training programmes for...
Why their stocks sold out to SA

S. TALBOT

Finance Correspondent

This week saw the company's internal transfer to sell a large block of its South African asset.

It is the third such transfer in recent months, among them TRA, Lamont, and Perkin, which have recently decided to reduce their exposure to South Africa.

Political fears have prompted the move in most cases, but not necessarily in all.

Most of the investments appear to result from the parent company's financial needs.

The purchase of substantial shares in other companies, including those established in the home market, is an attempt to improve cash flow and stabilize the company in the home market. However, this strategy may result in dilution of shareholders' rights and increased competitiveness.

What about Firestone, which is in line with previous investments in the country's stock market? The company has complied with the regulations to avoid further financial need.

General Tire's withdrawal in 1979 was believed to have been prompted by its inability to comply with the government's regulations against South African products, even as competitors to the South African Tire Industry and other tire producers.

Surely, the regulations were prompted about three years ago, and it has recently been noticed that some of the products are imported from the US. It has also been claimed that the products used in South African subsidiaries come from Italy.

Moreover, the company apparently needs the money in the US, despite a seven-profit turnaround. Firestone has already sold off parts of its Spanish, Mexican, and Japanese subsidiaries.
FORD LOOKS AT LABOUR POLICY

THE major problem areas facing the giant Ford Motor Company is the identification of people suitable for types of training where blacks are prejudged as unlikely to succeed, says a five-man report by the South African Institute of Race Relations.

The report, first commissioned in 1979, takes an in-depth look at how the Sullivan Principles have been implemented at the motor company. Rhodes University sociologist Mr. Cecil Maduna, and Dr. Marianne Roux, anthropologist Professor Michael Whisson; University of the Transkei accountant Professor Wiseman Nkuhlu and economist Professor Wolfgang Thomas prepared the report.

APTITUDE

The report says that the blacks are prejudged unlikely to succeed "because they are believed to be less capable to handle mathematical procedures and for jobs which involve the exercise of authority and supervision."

This can be tackled only by careful pre-training aptitude testing and selection, the report said. The area demands a different type of selection procedure and may benefit from informal consultations between industrial relations officers and shop stewards as to the acceptability of prospective trainees as supervisors.

The report offers far-reaching recommendations on discrimination against blacks in organizing labour unions. The company should continue, it points out, in its present approach to organized black labour offer what protection and support it can to legitimate leaders.

It adds: "This support should include those from unregistered unions who are threatened by the State for engaging in peaceful activities in pursuit of the broader goals now seen as appropriate for organized labour. In so doing the company should not be seen to be departing from its even-handed approach to all unions."

To increase the number of blacks in management, the report recommends the company must develop a strategy of recruitment and training far more sophisticated than the present system which does little more than mirror that of the educationally disadvantaged whites.

For example, says the report, blacks could be recruited in their matriculation year and employed on probationary basis for a year, during which time they might upgrade their weaker subjects. If their interests and aptitudes coincide with company needs "they could be supported through their higher education spending their vacation at work in the company. In this way more realistic expectations could be established and some of the frustrations experienced by graduate trainees avoided."

INFLUX

On influx control, the report recommends that the company should press for and support others pressing for freedom of movement and opportunity for all blacks in South Africa, recognizing that while this may not be in the short-term interests of most of its employees (who are "protected" in part by influx control), it is in the long-term interest of peace and economic growth.

Still on influx control: "This, surely, is the touchstone of the spirit of the Sullivan Principles — that the signatories will not only do things which are progressive and in their own interests, but will also do things which are not in their own interest, but will also do things which are not in their own interest, for the sake of the mass of the people."

Finally the report says that the 1979 commission criticised the company for spending a great deal of money, ostensibly in pursuit of the Sullivan Principles, with very little commitment to the spirit of the goals that Reverend Sullivan set.

The 1979 commission recommended that the company be more selective in its efforts and in its identification of targets. While there remains an identifiable division within the company between those who see the Sullivan Principles as a nuisance and those who see them as an opportunity,

And the latter group does not always prevail: "The company has responded far more positively than we imagined possible and a more systematic approach with greater real commitment now forms company policy."

Bursaries

SIX high school students from Ga-Rankuwa, Makau and Kgabalane will today be interviewed for bursaries by the Odi branch of the Bophuthatswana Chamber of Commerce.

Mr. Nkama Mesh Makepa, regional secretary of the African Federated Chamber of Commerce, Bophuthatswana affiliates said the presentations will be the second since the fund was established.

Mr. Makepa said it was envisaged that students would proceed to university through Nafeco's Ma-

Woman wins car
A sticky sand?

company shareholders. 'The union must come back and we may be able to give them more money if they come back, we may be able to give them more money if they are willing to negotiate. The unions will be able to negotiate with the company on their terms.'

In terms of the agreement, the agreement will only be recognised if the union can negotiate with the company on their terms. The agreement also includes the union's right to be represented at meetings of the company. The agreement also includes the company's right to be represented at meetings of the union.

The agreement also includes the union's right to be represented at meetings of the company. The agreement also includes the company's right to be represented at meetings of the union.

The agreement also includes the union's right to be represented at meetings of the company. The agreement also includes the company's right to be represented at meetings of the union.

The agreement also includes the union's right to be represented at meetings of the company. The agreement also includes the company's right to be represented at meetings of the union.

The agreement also includes the union's right to be represented at meetings of the company. The agreement also includes the company's right to be represented at meetings of the union.

The agreement also includes the union's right to be represented at meetings of the company. The agreement also includes the company's right to be represented at meetings of the union.

The agreement also includes the union's right to be represented at meetings of the company. The agreement also includes the company's right to be represented at meetings of the union.

working conditions.

The concept of work attitudes, or human resources, has been discussed by black trade unions, but the company says it has not been approached by them, partly because its manufacturing processes are so varied.

3M SA operates a rebate training scheme, designed to increase an employee's work and earning potential.

One black man, for example, who appeared to be rather young, was later taught the company's own procedures. He was eventually promoted to foreman.

The company's 300 vehicles at its five plants nationwide, earning over R25,000 a year.

The most impressive report of the firm's programmes involves the adoption of the "Pilot" computerised training system at its educational centre - the first SA company to do so.

Every employee, regardless of race, at the flagship Eldorado complex, is allowed to take a course in a language, or to work in the centre, upgrading his or her skills. For some, this means concentrating on the basics of languages and maths.

Others are tailoring advanced courses and accounting.

Woods estimates that the company has spent over R1,000,000 in the last three years to develop the centre.

Roe, Mokotelo, the educational and training manager, heads a staff of 50, plus 200 black and 130 white workers, at the approximately 1,000 employed at the Eldorado complex.

At present, 24 black workers are receiving basic literacy education.

Mokotelo, who has been at the centre since its inception in mid-1970, says that when he started, it wasn't even for many of the reasons as to why I just started here, there's not even a thing you could say that it was a problem site, it was just a place to work.

Dependant of employees is also conducted in the centre, where parents and siblings are often employed. The 3M SA has undertaken to support the Turpin High School and Woods says his hopes to speed up the training of thousands of children in the next few years on the project.

The company's skilled technicians have evaluated in upgrading the school's equipment.

Woods, the growth of 3M has not been based on profits and corporate procurement, but on a project to put into practice the training of its own workers.

Some executives, now reelected, have paid companies, educational services, and another firm to provide the training with the growth.

The firm, a joint venture between SA, the major shareholders, and the South African Investment Corporation, has continued to provide its own education service to a number of institutions.

We all have a need to contribute. When I got up in the morning, I have to know that we're doing something that helps the country, that's not so unusual. That's the philosophy of 3M's programmes towards community work.

The firm's education programme, operating in five schools, is a prime example of this approach.

Mokotelo, who has been at the centre since its inception in mid-1970, says that when he started, it wasn't even for many of the reasons as to why I just started here, there's not even a thing you could say that it was a problem site, it was just a place to work.

Dependant of employees is also conducted in the centre, where parents and siblings are often employed. The 3M SA has undertaken to support the Turpin High School and Woods says his hopes to speed up the training of thousands of children in the next few years on the project.

The company's skilled technicians have evaluated in upgrading the school's equipment.

Woods, the growth of 3M has not been based on profits and corporate procurement, but on a project to put into practice the training of its own workers.

Some executives, now reelected, have paid companies, educational services, and another firm to provide the training with the growth.

The firm, a joint venture between SA, the major shareholders, and the South African Investment Corporation, has continued to provide its own education service to a number of institutions.
BlackLabour unions play a role in SA far beyond that of negotiation with management.

Their leaders and some of their members see them as a means of political expression and leverage. This makes life difficult for managers trying to meet union demands on a rational basis. Even chairmen of massive companies cannot do away with the Group Areas Act.

Sometimes, therefore, management and black unions tend to talk past one another.

However, there is one surprising area of agreement: both sides seem to feel, on balance, that codes — such as those of the EEC and Leon Sullivan — are losing relevance in SA.

Fred Sauls, general secretary of the National Motor Assembly Workers Union, puts it simply: "Workers were not consulted and they don't, therefore, not accept that the codes represent their interests. For workers, the only acceptable agreement on employment practices is one negotiated between them and management."

Another labour observer, Dr. Leon Sullivan, says that management has been "talking" about change — in their own context and in the broader context. It's not enough that they subscribe to by-laws of human rights principles. There must be a will of business to enter the political arena — an imperative approach.

The EEC also believe that some companies, among them foreign subsidiaries, are questioning the relevance of the foreign codes in the light of recent developments in labour relations in SA. Changes in labour legislation, the growing strength of black unions, and patterns initiated by bodies such as the Federation of Industries and Barlow Rand.

Indeed, some companies argue that they have "gone beyond" measures proposed by the codes, and that their usefulness on the factory floor has been spent. "The codes are not much more than just plain and good management, and it is essential in SA at present to move faster," says a spokesperson for Chrysler SA.

A spokesman for the FCI says that as far as peaceful labour relations are concerned, "the codes are becoming a non-starter. They don't, and cannot, deal with issues in detail. It's becoming more evident that this has to be done locally."

Adres Mike Roberts, executive chairman of Barlow Rand, "We should be reaching the stage where foreign employment codes are replaced in SA by local ones. Certainly, Barlow Rand has its own which we believe goes further in certain areas than either the SA or EEC codes and which are specifically tailored to our own requirements."

Labour observers support this view. "The codes are tame because they do not compel a company to do anything," is one view.

In a recent survey conducted by the University of the Western Cape's Institute for Development, it was found that overseas companies in the Cape had made many more steps towards change than the SA firms surveyed, in terms of shorter working hours, benefit coverage, training programmes and general company policies.

It found that the SA companies paid lower wages than overseas companies, while the latter offered, on average, longer leave and higher bonus pay than their SA counterparts, as well as a greater number of fringe benefits.

The survey did not name the companies and it is open to question whether the findings are applicable to all companies in SA. For example, Barlow Rand has implemented a programme to close wage gaps and radically improve the employment conditions of its 200,000 employees.

Of course, it is not always easy for local companies employing large and unskilled work forces to move rapidly towards the standards of the codes. To do so would push up unit costs and ultimately could prejudice job opportunities.

It is much easier for foreign companies employing only 5% to 6% of the total work force to make such adjustments rapidly. US companies, for instance, employ only between 50,000 and 70,000 blacks.

There is reluctance among some firms to recognize unions, particularly those that have not joined the official bargaining system through registration under the Industrial Conciliation Act. Of course, there are always the intransigent and the restrictions in labour mobility play short-term into their hands.

Regrettably, some companies in areas like the Eastern Cape continue to pay very low wages and to work forces and to workforces appear unnecessary. Only time will prove the opposite."
3. **Prescribe treatment with confidence.** Diabetes is another condition lending itself to such involvement. The pharmacist notes refill dates of prescriptions and can monitor compliance by calling delinquent patients who have not repeated their prescriptions by due date or alternatively counsel those who inadvertently increase their own dosage.

**Geriatric Patients:**
The problems of control of chronic ailments are exacerbated by the infirmities of old age, such as a reduced appetite, more frequent bowel movements, altered sense of taste, and impaired judgment. The pharmacy profession, with its long tradition of trust and tradition, is well suited to meeting these needs.

**Hospital Services:**
Up to this point, the discussion has centred around the general practice, community or as it is currently termed, retail pharmacist. The potential of the pharmacist in hospital services has not been realised. The lack of involvement of the pharmacist as a medication consultant at the bedside, the delay in the development of consultative pharmacological services in each hospital dispensary and the relatively few hospitals in our country which have pharmaceutical services is significant.

**Investments Have a Broad Spectrum From Which to Choose**

---

**New York Times**

By **Jane Sanders**

---

**Business Times on the International Scene**

---

**SUNDAY TIMES BUSINESS TIMES**

---

**MARCH 22, 1986**
Black union's breakthrough

By Drew Forrest

In a major breakthrough, the unregistered South African Allied Workers' Union (SAAWU), yesterday won recognition from an employer after an overwhelming victory in a referendum at its East London plant.

The union polled 98.5 percent of the votes at Johnson and Johnson (Pty) Ltd, and the company later announced that a formal recognition agreement would be negotiated with it.

SAAWU is one of a group of independent unions which have refused to register. This, and its reputation for toughness, have brought intense resistance from many East London employers.

The decision by the American-based multinational company to recognise the union is the second on record. Last year, Chloride (SA) granted formal recognition to the SAAWU after its success in a similar ballot.

The referendum, which began on Thursday, was held on company premises under the joint supervision of management and the union.

The overwhelming result is seen as evidence of consolidation by the union after the massive upsurge of popular support last year.

The union's branch chairman Mr Sima Njike-lana, said the ballot had given tangible proof of SAAWU's commitment to sound industrial relations.

After a one-day stoppage by about 500 workers at the Triomphe Fertiliser Company at Richard's Bay, another union won effective recognition.

Once the Fosatu-affiliated Chemical Workers' Industrial Union had proved majority support at the plant, the company would sign an agreement, a union spokesman said.
White have lost to black have-nots?

INDUSTRY in South Africa will go through a period of turmoil and adjustment, says Fred Ferrone, director of Industrial relations at the Ford Motor Company in Port Elizabeth.

Last week he gave his views on the Sullivan code of conduct, the simmering discontent at industries, the growing black labour movements and the adjustment his company had made since the liberation unrest at Ford two years ago led by Thosamile Botha.

'Ve believe that, in the interest of South Africa and its people, it would be incumbent on all organisations to re-examine their philosophies to adapt to the realities of South Africa,' he said.

'With blacks deprived of platforms to air their views, many unions have been politicised and viewed labour movements as a vehicle for political expression.

Fundamentally, what blacks are after is participation in the decision-making political machinery. As the consciousness of the contribution they are making grows, they will question long existing methods and change which evolved without their participation.

They will start re-examining these systems and the industry will have to face the fact that the system is being challenged by people who did not participate in it and who are even prepared to die to see it reverted,' he said.

'The process, which many may view as conflict, will be the moulding of South Africa.'

He did not state categorically that Ford had met all the Sullivan principles because 'the concept of happy labourers is a relative one.'

EXPECTATIONS

'The expectations of labourers have changed. Many workers look beyond a good salary for satisfaction,' he said.

He pinpointed income, working conditions, communication, opportunities for advancement and fulfilment, recreation and housing projects as concepts wanted by workers.

'We have to some extent met these expectations. Some of the Sullivan principles, but the only measurable thing is money and I believe Ford is one of the best payers on basic salary scales.'

The company is doing several things to satisfy workers although the level of satisfaction differs from person to person.

'Man,' he said, 'never satisfied with anything for long. We are busy with redistution of wealth which involves the haves and have-nots.'

BLACRS AND WHITES

Naturally, he argued, the redistribution involves blacks and whites.

'This brings with it conflict, because some people resist this change while others welcome it.'

Although we have in-service training, the best in the country, and have moved away from discrimination, we can only say we have met the workers' objectives for 1981.'

Mr Ferrone believed that investment did not leave a vacuum behind.

'When somebody withdraws his stock, somebody buys them.'

He pointed out that in South Africa, there was overemployment among whites while blacks were underemployed.
R12.2-m profit for CT

By Alian Cootes

General Turnover increased from February 1981 in R129.8-million from R105.5-million for the 14 months ended February 1980.

After-tax profit was R12.2-million, up from R8.5-million. Total dividends were 6.5c a share, with a payment of 6.5c from earnings of 88.5c a share.

The results reflect a 14-month period for 1979/80 for some companies but turnover and earnings for only eight months for the more recently acquired companies. Therefore comparisons would be misleading.

As a substantial supplier to the automotive, mining and mechanical and civil engineering industries the group was able to share in the buoyant trading conditions of this sector.
Colgate denies refusing to meet workers

By STEVEN FRIEDMAN
Labour Reporter

The US-based chairman of multinational Colgate Palmolive, which is engaged in a bitter union recognition dispute at its Boksburg plant, has visited South Africa and held talks with the company's workers, according to Colgate.

The company also revealed that Mr. Keith Crane, its current company chairman, fully supported the stance of local management that it will negotiate the union but will not negotiate with it on wages and work conditions.

Colgate says negotiation on this issue should take place through an official industrial council.

The Chemical Industrial Workers Union has declared a dispute on the issue and an official conciliation board has been appointed to resolve it. This is the first step on the way to a legal strike by Colgate workers.

These points are contained in a letter to the Rand Daily Mail from Colgate in which it refers to allegations by the union that Mr. Crane "involved" a meeting with black workers at the Boksburg plant.

The union claimed workers had twice tried to meet Mr. Crane during his visit but that he had not answered a letter and telegram asking for a meeting.

The company refused to comment on these charges at the time.

In its letter, Colgate says Mr. Crane attended meetings at the Boksburg plant on May 4 and 5. "Due to careful arrangements, Mr. Crane had conversations with many employees, black and white."

The company says Mr. Crane received a telegram from the union requesting a meeting. It mentions he received a letter asking for a meeting from six workers, but says the company's managing director, Mr. A. W. Nooker, replied to the letter.

The letter says Colgate has not refused to recognize the union but has "offered our full support to a union in the effort to make the company part of a broader industrial council."

The letter quotes Mr. Crane as saying that he has lost himself "fully informed" on the dispute.

Colgate was initially accused of opposing the appointment of an conciliation board.
Colgate Workers May Go on Strike

By Steven Frishman
Labour Reporter

A FORATU-affiliated trade union will call a legal strike at Colgate-Palmolive's Bokesburg plant if its recognition dispute with the company is not resolved.

If a strike is called, it will be the second legal strike by black workers in the country's labour history.

In a booklet called "Workers' Struggles at Colgate", released yesterday afternoon, the union confirmed its intention to call a legal strike if the dispute is not resolved.

The booklet, which sets out the union's account of the dispute at Colgate, is to be distributed to all members of FORATU, and to international trade union bodies in the Western world.

A Colgate spokesman said the company would comment on the booklet yesterday, but no comment was forthcoming.

It forms part of a concerted union campaign to win from Colgate the right to bargain on wages and working conditions at the Bokesburg plant.

Colgate says it will recognise the union but all bargaining on wages and work conditions must take place through an official industrial council only.

The booklet also contains a comprehensive list of Colgate products, as well as a photograph of some of them.

Although union spokesmen would not comment yesterday, it is likely that the list is a precursor to a consumer boycott against the company if talks break down.

The Minister of Manpower Utilisation has appointed a conciliation board to attempt to resolve the dispute. It will report on Monday.

If it fails to resolve the dispute, the union may call a legal strike after 30 days have elapsed.

The union says it has produced the booklet "in furtherance of a contemplated legal strike.

It adds: "It has been produced in order to explain to the public and particularly the unemployed, why workers at Colgate may have to take industrial action in order to secure their basic trade union rights.

The booklet details the dispute between it and Colgate at the Bokesburg plant."

Throughout the dispute, which has lasted well over a year, the union has accused Colgate of not being prepared to bargain with worker representatives and of violating the new Leon Sullivan's labour code for American companies here.

It says that the company's insistence that it will only negotiate on wages and work conditions through an industrial council is an attempt to create a "toothless" union.

Colgate's case wages must be negotiated at an industrial council to ensure that minimum wages are uniform throughout the industry.

It claims that it is violating the Sullivan code.
Ford sends hundreds home

Argus Bureau

PORT ELIZABETH.—Most workers at Ford Motor Company’s Struandale assembly plant were sent home today after production had been disrupted by some workers who refused to handle products from a tyre company.

About 1,000 were asked to go home.

Ford’s industrial relations director, Mr Fred Ferreira, said that soon after work started this morning, a number of workers refused to handle Firestone tyres on the assembly line.

DISCUSSIONS

Discussions between these employees and labour relations personnel showed they did not intend resuming work and they were suspended.

Their action resulted in a disruption of production, and workers on the trim line and in the body and paint shops were requested to stop work.

Mr Ferreira said the company had been advised formally by employee representatives last week that certain employees would refuse to handle Firestone products from today.

The company was informed that the act stemmed from a dispute with Firestone, which had allegedly refused to replace a number of employees previously dismissed for taking part in a strike at that company.

Ford had pointed out to all employees what its position and stand was, saying it had more than 300 individual suppliers and it could not interfere in other companies’ domestic affairs.
Ford strike goes into second day

Labour Reporter

The Ford Cortina plant strike in Port Elizabeth went into its second day today with workers refusing to handle Firestone products.

Yesterday about 1000 workers were sent home after employees at the Cortina plant refused to handle the Firestone tyres in support of their colleagues involved in a dispute at the other Port Elizabeth firm.

Production at the plant was halted.

Workers returned to the plant early today and resumed their stand against Firestone products. They were again sent home.

The strike has now spread to the Ford engine plant.

The strikers are represented by the Motor Assembly and Component Workers Union (Macwusa) and talks between the union and Ford management are expected later today.

Macwusa had called on Firestone to refuse dismissed workers after a dispute over pension payments earlier this year. Ford's industrial relations officer, Mr Fred Ferreira, said domestic matters between another company and its workers should not be permitted to interfere with Ford production.

Any employees who refused to handle goods from suppliers would be subject to disciplinary action, he said.

Macwusa's chairman, Mr Dumele Makanda, said today that the Firestone product boycott could spread to other Port Elizabeth firms and the union had warned Ford earlier about the boycott.

"Firestone must re-employ our colleagues," Mr Makanda said. He added that Ford had already given workers written warnings about the boycott.

At the Leyland Blackheath and Elgee River plants near Cape Town workers once again streamed back to work although management has stuck to its decision not to start up the plants again until tomorrow.
Solidarity strike

MORE than 300 black workers at the Ford Motor Company in Port Elizabeth were sent home yesterday after refusing to handle products from a local tyre company.

In a statement to SOWETAN yesterday, Mr Fred Ferreira, Ford's Industrial Relations director, confirmed that the workers have been sent home.

Mr Ferreira also confirmed that Ford management was advised by employees' representatives that certain employees would refuse to handle Firestone products at their plant yesterday.

"The company was informed that the action stemmed from a dispute with Firestone which had allegedly refused to re-employ a number of employees previously dismissed for participating in a strike at that company," continued Mr Ferreira.

Mr Ferreira's statement went on: "In response the company stated its position on the subject of employee participation in secondary boycotts to the employee delegation and subsequently brought to the attention of all employees through bulletins in company notice boards.

"Ford does not permit other companies to involve themselves in their internal affairs," emphasised Mr Ferreira.

On the other hand, he warned: "Any employee who refuses to perform his normal job function as a result of the boycott of the product of another company will be subjected to disciplinary procedure."

Explaining the boycott, Mr Ferreira said a number of workers at Ford's Struandale plant refused to handle Firestone tyres shortly before 11 am.

"After discussions between these employees and labour relations personnel, it became apparent that they did not intend resuming work. They were suspended," continued Mr Ferreira.

He also said the refusal by the workers to handle Firestone tyres resulted in a disruption of production patterns at the plant. Consequently we had to request workers in the trimline and the body and paint shops to stop work and go home.

These workers were given two hours' notice of our intention.

Late last night Ford's management and employees' representatives were holding talks in an endeavour to resolve the situation.
Ford strike spreads to GM

Argus Bureau

PORT. ELIZABETH — The strike at the Ford Cortina plant, where 1,000 black workers downed tools for the second day rather than handle Firestone products, spread this afternoon to two other Ford plants and a General Motors factory.

Ford's director of industrial relations, Mr Fred Ferreira, said that in spite of negotiations with worker representatives, the situation at the Cortina plant was unchanged today. The black workers there continued to refuse handling Firestone products.

Meanwhile, 400 black workers at the neighbouring Ford engine plant today also downed tools and walked out. They represent about 70 percent of the black labour force there, but essential operations were kept going by the rest of the employees.

Later, about 40 black workers at the Nceva assembly plant, which manufactures Escorts, Granadas and heavy lorries, also downed tools.
PE—2000 on strike

Argus Bureau
PORT ELIZABETH. — The Holy Spirit Church Hall in New Brighton here was still packed with about 2,600 striking motor industry workers late today, locked in a meeting with their union leaders to discuss their position. Some of them reported being 'intimidated' by police on their way to the hall after leaving their work places, while a spokesman for General Motors said there had been reports of much intimidation of black workers by others wanting them to down their tools.

A spokesman for the Port Elizabeth based Motor Assembly and Component Workers Union of South Africa (Macwusa), claimed there were 2,600 people at the meeting, of which many had to stand outside. He claimed 2,600 were Ford workers and that there were 600 from General Motors.

The 168 strong black labour force at the Cortina plant today repeated their performance of yesterday and Monday by walking out when they realized they had to handle Firestone products.

They were joined yesterday by 400 workers at the adjacent Ford engine plant, 40 at the Ford Neave plant and 175 at General Motors.

Those on strike are reported to belong to the Motor Assembly and Component Workers' Union of South Africa (Macwusa).

The union took a resolution last week — which was conveyed to management — that its members would refuse to handle Firestone products until the 168 workers dismissed following strikes at Firestone over proposed Government pension legislation were re-instated.

The chairman of Macwusa, Mr. Dumile Makanda, said today that Ford had taken a hardline attitude and that he saw no chance of the union backing down unless Firestone re-instated the workers who lost their jobs early this year.

If necessary, Macwusa members at four companies supplying Ford with products could also go on strike, he said.

How Firestone would re-instate the workers if they had already taken on substitutes was its own problem of its own creation.
Police firm in aim to ban meeting

THE chief of the Security Police in the Eastern Cape, Colonel Gerrit Erasmus, stands firm by his decision to apply for the banning of a workers' report-back meeting scheduled for Monday despite recent developments which could bring about an end to the 12-day strike by more than 3,000 Ford, General Motors and Firestone workers.

Col Erasmus, in an interview, said he would definitely go ahead with his plans to have the mass meeting banned. Asked if this would not aggravate the strike situation in the midst of a possible solving of the dispute, he said: "I can make no comment on that. But there is no indication that the strike is going to be called off anyway."

In an interview today, the organising secretary of the Motor Assembly and Component Workers' Union (Macwusa), Mr Government Zini, said the strike could be called off on Monday if a proposal, during a meeting with Firestone management this week, was supported by Ford and General Motors.

At the meeting, Macwusa officials suggested that each of the three strike-hit firms agree to employ a quota of the 160 former Firestone workers who lost their jobs during a strike over pensions earlier this year.

Firestone's refusal to re-employ all the workers immediately led to workers at Ford and General Motors refusing to handle Firestone tyres in solidarity with the Firestone workers.

Mr Zini said the talks had, for the first time, been conducted in a "spirit of goodwill" and Firestone officials at the meeting appeared to be "encouraged" by the proposal.

A similar proposal that all three strike-hit firms agree to employ the 160 workers has been made by a Rhodes sociologist and one of the authors of the Ford audit report, Dr Marianne Roux.

According to Mr Zini, Firestone told the Macwusa officials that GM and Ford would be approached about the suggestion during the weekend.

Asked for comment today, Ford's industrial relations director, Mr Fred Ferreira, said he was not aware of the proposals at this stage.
3 car plants now hit by strikes

Own Correspondent
PORT ELIZABETH A strike by 1,500 workers at three Ford Motor Company plants yesterday spread to General Motors when about 175 workers at the Port Elizabeth car plant downed tools in sympathy with a stop by 250 dismissed Firestone employees to be reinstated.

Production at the Ford Coruna plant at Strandela was at standstill for the second day in succession yesterday after 1,000 workers all members of the Motor Assembly and Component Workers' Union of South Africa had walked out at 8 a.m. last Thursday. Meanwhile, the shutdown for 2,000 workers at Leyland's Blackheath plant near Kraaibok, who have been on strike since Thursday, is due to return to work this morning.

Yesterday evening the workers' representatives of the South African Steel Employees Association and the Rubber Workers Union, led by Mr Joe Foster, were called to a meeting with management at the Firestone works yesterday. The meeting was broken off without any agreement being reached.

The strikers at Firestone were later joined by about 200 workers from the engine plant at Steeland and 40 assembly line workers from the Noor plant.

More than 175 of the 3,000 GM workers employed in the Kingston Road car plant were on strike yesterday morning, and after meeting factory heads and personnel managers walked off the premises. They are striking in protest against the suspension of two Ford employees and a GM worker for refusing to work with Firestone products.

The union's resolution taken last week—which was conveyed to management—is that the members would refuse to handle Firestone products till the 350 workers who were dismissed following strikes over proposed government pension legislation, were reinstated.

In a statement yesterday, the Ford director of industrial relations, Mr Fred Ferreira, said the engine plant employees who stayed at their stations had been reorganized to continue with essential operations to support production.

Mr Ferreira said management would continue to discuss the issue with employee representatives.

A Ford spokesman said disciplinary action against the strikers had not been considered yet. Employees who refused to work would be automatically suspended and go without pay until they returned to work.

A statement released by General Motors yesterday said it was expected that the striking workers would return once the dispute with Firestone had been resolved.

A spokesman said production at the plant was not affected.
The strike action of black motor industry workers was mirrored today with the labour dispute in Port Elizabeth still solidly deadlocked.

About 1,500 workers from three Ford plants walked out again soon after starting time this morning, and the number of supporting strikers at General Motors was reported to have grown substantially from the 275 who downed tools yesterday.

Hundreds of singing workers left the General Motors plant in Kempton Road about 8am today.

The labour turbulence which began with a refusal by two Ford Cortina plant workers to fit Firestone tyres on their production line on Monday now involves about 2,000 striking workers.

The 100-Strong black Labour force at the Cortina plant today repeated their performance of yesterday and Monday by walking out when they realised they had to handle Firestone products.

They were joined yesterday by 400 workers at the adjacent Ford engine plant, 49 at the Ford Nexus plant and 173 at General Motors.

These on strike are reported to belong to the Motor Assembly and Component Workers' Union of South Africa (Macwusa).

The union took a resolution last week — which was conveyed to management — that its members would refuse to handle Firestone products until the 150 workers dismissed following strikes at Firestone over proposed Government pension legislation were reinstated.

The chairman of Macwusa, Mr. Dumile Makanda, said today that Ford had taken a hardline attitude and that he saw no chance of the union backing down unless Firestone reinstated the workers who lost their jobs early this year.

NEW THREAT

If necessary, Macwusa members at four companies, supplying Ford with products could also go on strike, he said.

How Firestone would re-instate the workers if they had already taken on substitutes was "its own problem of its own creation."
STRIKERS CLOSE SIX CAR PLANTS

STRIKING workers yesterday brought production at six motor car plants in the Cape to a halt.

- Two Leyland plants - at Blackheath with 2000 employees and Ellisville River with 300 - were hit by a strike over wage demands.

- At the Ford plant in Port Elizabeth, 6000 workers were suspended after a number of them refused to fit tyres made by the Firestone Company, which has refused to rehire workers after a recent strike.

- About 300 black workers at the General Motors Kempton Road plant in Port Elizabeth downed tools and walked out yesterday morning also refusing to handle Firestone products.

- It was reported late yesterday that another two PE plants had joined the "Firestone solidarity strike", but no details were available.

Tuesday's events at the Ford Cortina plant repeated itself yesterday when about 1000 black workers were sent home again when refusing to handle Firestone products on the assembly line.

The plant was expected to remain closed yesterday while management continued to meet employee representatives in an attempt to resolve the situation.

The boycott is linked to a protracted labour dispute between the Port Elizabeth-based Motor Assembly and Component Workers' Union of South Africa (Macwana) and Firestone management.

Cape branch of their union the National Union of Motor Assembly and Rubber Workers of South Africa.

Mr Foster handed management representatives a letter during a brief meeting at D.F. Malan Airport on Monday. The letter contained what the union had told management on May 7 about worker dissatisfaction over wages.

"We informed management to read. The people are expecting something, but so far, there is no indication of progress that we see.

In Pretoria, former employees of the Sigma Motor Corporation who were not reinstated after their recent strike refused yesterday to fill an application form for new jobs because they do not accept their dismissal.

Firestone have refused to re-employ a number of former employees - apparently about 300 - who lost their jobs during a strike at Firestone early this year over a pension fund dispute.

All the strikers in PE are members of Macwana.

The chairman of Macwana, Mr Dumile Makan-da, has said it was Ford management's "hard-line attitude and insensitivity" to the issue which ultimately led to the dispute action by the workers.

The strike by about 2000 workers at two Leyland factories entered its fourth day yesterday without an indication of an immediate end to the dispute.

Management suspended the workers last week and instructed them to return to work today. However, workers ignored the suspension and reported to the plant yesterday and the day before, although they are not working.

"Judging by the workers' attitude, there is no chance they will be returning to work today," said Mr Joe Foster, secretary of the Western
Motor industry strike grows

Own Correspondent

PORT ELIZABETH — Strike action by black motor industry workers was growing today as the labour dispute in Port Elizabeth remained firmly deadlock.

About 1,500 workers from three Ford plants walked out again this afternoon, leaving the General Motors Kempston Road plant about 8 am today.

The number of supporting strikers at General Motors was reported to have grown substantially from the 175 who downed tools yesterday.

Hundreds of workers were reported to be singing as they left the General Motors Kempston Road plant about 8 am today.

This means that the labour unrest which started with a refusal by two Ford Cortina plant workers to fit Firestone tyres on their production line on Monday has grown into a full-fledged strike by about 2,000 workers.

The 1,000-strong black labour force at the Cortina plant today repeated their walkout of yesterday and Monday as soon as they saw the company wanted them to handle Firestone products.

They were joined yesterday by 400 workers at the adjacent Ford Engine plant, 40 at the Ford Naeve plant and 175 at General Motors.

Those on strike are reported to be the full membership of the Motor Assembly and Component Workers Union of South Africa (Macwusa) at these plants.

The chairman of Macwusa, Mr Dumile Makanda, said today Ford had adopted a hardline attitude and that he saw no chance of the union backing down unless Firestone reinstated workers who lost their jobs early this year.

If necessary, Macwusa members at four companies supplying Ford with products could also go on strike.

Mr Makanda said how Firestone was to reinstall workers if they appointed substitutes was "a problem of its own creation."

"The strike at Firestone was probably a blessing in disguise because those people who lost their jobs were mostly old people. "They have probably now employed mostly youngsters."

Macwusa expected Ford to contact Firestone and put pressure on it. The union was also disappointed that Ford had ordered 400 more tyres from Firestone last week after being warned of the impending boycott.

Mr Makanda said the striking workers were to meet in a church hall in New Brighton today to discuss their position.

Strike continues

Labour Reporter

The strike at the Leyland Blackheath and Ilesa River plants near Cape Town continued today when workers refused to meet management's back-to-work deadline.

All workers were suspended until today after last week's strike over wage increases. Although they gathered at the plants they did not start work.

To Page 3, Col 1
CAR STRIKE SPREADS

Port Elizabeth Bureau and Labour Reporter

THE strike-hetzt Port Elizabeth motor industry received a fresh shock today with the news that about 1,000 black workers had gone on strike at the Firestone Tyre Company.

There are in addition to the 1,500 on strike at three Ford plants and 200 at General Motors bringing the Port Elizabeth total to about 3,000.

Meanwhile, Leyland has dismissed the 2,000 striking black workers at its Blackheath and Elsie's River plants following their refusal to return to work yesterday.

More than 1,000 decided at a meeting in Bellville South today that they would stay on strike until their wage demands were met.

Start

The Firestone strike started about 10 pm yesterday when the majority did not show up for their shift.

Today, the 6 am shift followed suit.

Leyland workers passed a resolution at the meeting today demanding a minimum wage increase of 25c an hour to match rising living costs.

They demanded that management immediately hold talks with their union — the National Union of Motor Assembly and Rubber Workers of South Africa (Numarsa) — with the aim of setting a R3 an hour minimum wage to come into effect within the next four months.

Made clear

Yesterday afternoon, management issued term saying that workers had automatically terminated their services by refusing to work and unilaterally instructed to return.

"We wish to make it clear that termination for the above reasons does not constitute redundancy and no redundancy payments will be made."

The notices said workers could apply for re-employment today.

In Port Elizabeth the strikes in motorcar plants started on Monday when two workers in the Ford Cortina plant refused to fit Firestone tyres.

They had been suspended and replaced when, in a show of solidarity, the 1,000-strong black labour force refused to handle Firestone products.

Spread

They were asked to go home and the plant was closed.

This has happened every morning since, including today.

Meanwhile the strike had spread to the Struandale engine plant and the Neave assembly plant, where production had been continued through re-organisation.

On Tuesday afternoon, 200 General Motors

(Continued on Page 3, col. 8)
CAR STRIKE SPREADS

ASSIGNED TO TELLER'S ROOM

Hand billing yesterday morning in the form of a hand lettered sheet, which was handed to a customer as he went in the bank. The letter was addressed to the customer, and said: "Dear Sir, I am sorry to inform you that due to a strike among the employees of this bank, the services of the bank will be interrupted. We regret any inconvenience this may cause. Sincerely yours, the management."
Talks scheduled on the Ford ‘solidarity’ walkout

Ford management was scheduled to meet union officials today for the first time since Monday’s mass walkout by workers.

About 1,500 workers from three of the four Port Elizabeth Ford plants are still on strike in “solidarity” with colleagues who were dismissed from the nearby Firestone plant earlier this year.

Workers have refused to handle Firestone tyres and are being represented by the Motor Assembly Component Workers Union (Mactwusa).

The chairman of Mactwusa, Dr Dumile Makannda, said today the union would tell Ford that workers were willing to return to work — but they were still not prepared to handle Firestone tyres.
THE strike-hit Port Elizabeth motor industry received a fresh shock today with the news that about 1000 black workers had gone on strike at the Firestone Tyre Company.

These are in addition to the 1500 on strike at three Ford plants and 200 at General Motors, bringing the Port Elizabeth total to about 3000.

Meanwhile, Leyland has dismissed the 2000 striking black workers at its Blackheath and Elles River plants following their refusal to return to work yesterday.

Start

The Firestone strike started about 10 am yesterday when the majority did not show up for their shift.

Today, the 3-2 am shift followed suit.

At Leyland about 2000 have been on strike since last week in a demand for higher wages.

Yesterday afternoon, management-based termination of service notices were still on the premises.

The notices say that workers have automatically terminated their service by refusing to work and ignoring instruction to return.

You can therefore collect your wages and leave immediately," the notices say.

Made clear

"We wish to make it clear that termination for the above reasons does not constitute redundancy and no redundancy payments will be made."

The notices say workers may apply for re-employment today.

In Port Elizabeth the strikes in motorcar plants started on Monday when two workers in the Ford Cortina plant refused to fit Firestone tyres.

They had hardly been suspended and replaced when, in a show of solidarity, the 1000-strong black labour force refused to handle Firestone products.

They were asked to go home and the plant was closed.

"This has happened every morning since, including today."

Spread

Meanwhile the strike had spread to the Struandale engine plant and the Neave assembly plant, where production had been suspended through re-organisation.

On Tuesday afternoon, 200 General Motors workers went on a sympathy strike.

The strikers are refusing to handle Firestone products because Firestone workers were not re-employed after a walk out in January.

The managing director of Firestone, Mr Peter Morum, said today that (Continued on Page 3, col 8)
PORT ELIZABETH — The strike-hit Port Elizabeth motor industry received another shock today with the news that about 1,000 black workers have now gone on strike at Firestone Tyre Company.

The Firestone strike started at 10 p.m. last night when the bulk of black workers did not turn up at the start of their shift. Workers on today's 6 a.m. shift followed suit.

The managing director of Firestone, Mr. Peter Morum, confirmed this morning that the black workers on last night's and this morning's shifts had not turned up for work. He attributed their absence to intimidation.

He said he was informed that black workers trying to board buses to come to work were ordered by others to get off.

"If we employ the 160 we would have to release 160 other workers."

Mr. Morum reiterated that the company would give priority to the hiring of workers who walked out in January as vacancies arose.

As groups of workers left the Ford Cortina plant this morning, they jeered and gave black power salutes at white and coloured workers looking at them from inside the premises. Ford workers walked out on Monday in sympathy.

A spokesman for General Motors said the number of workers absent today was just below 200.
Company faces strike and consumer boycott

By Tony Davis
Labour Reporter

Colgate Palmolive in Boksburg faces a legal strike by its employees next month as well as a consumer boycott after a deadlock in talks this week.

Colgate management met officials of the Chemical Workers Industrial Union on Monday and yesterday at a hearing of a conciliation board to resolve their dispute.

The CWIU, which is an affiliate of the Federation of South African Trade Unions, had demanded that Colgate negotiate wages and working conditions and union recognition talks at the plant level.

Colgate, however, had stuck to its position of negotiating only at the Industrial Council level.

As a result of the deadlock the CWIU can hold a strike ballot in 30 days and go on strike if more than half its members support a strike.

A consumer boycott of Colgate products also looms for the company. In a recent booklet issued by the union, the company's products are all listed and pictured.

Union spokesmen see the Industrial Council system as a new means used by employers to control unions and limit direct negotiations.

Page 31: Call to boycott Rowntree products.
FCI call to end strikes

PORT ELIZABETH — The Federated Chamber of Industries yesterday appealed to striking local and General Motor workers to make a settlement on the retrenchment of 100 Firestone workers.

The appeal was made in a statement released in Port Elizabeth yesterday by the chairman of the FCI's labour affairs committee, Mr K. J. Vanwyk.

The managing director of Firestone, Mr Peter Morin, yesterday reiterated that the company would give priority to the hiring of the workers as vacancies occurred.

Of the 100 Firestone workers who turned a mass walkout in January over draft pension fund legislation, 100 were not re-employed.

Meanwhile, the strikes continued yesterday without management and union representatives meeting.

The walkout by 1,900 workers at the Firestone plant at Strandville three days ago led to the complete closure of the plant today. The stoppage has cost the company R1.3 million in lost production.

And after reporting for duty at the Firestone plant yesterday morning, 50 workers walked off the entire plant floor and about 40 workers refused to take up their positions.
Fosatu calls for Colgate boycott

BY RIAN ANDRE WILJERS
Labour Correspondent

The Federation of South African Trade Unions (Fosatu) yesterday called for a countrywide boycott of products of the multinational Colgate Palmolive company.

The call has gone out in support of a Fosatu affiliate, the Chemical Workers' Industrial Union which is at the heart of a legal strike at the firm's Musina plant, in a bid to gain full recognition by the company.

In a statement issued yesterday, Fosatu said the firm's refusal to grant the union full negotiating rights at plant level was a blatant example of a foreign-owned company taking advantage of the labour situation in SA.

It said it was clear that Colgate had made no genuine attempt to meet the aspirations of the majority of its black workers and added:

"Accordingly, Fosatu calls on all unions and the community as a whole to boycott Colgate products."

Earlier this week, official conciliation board hearings aimed at settling the dispute at Colgate ended in deadlock and opened the way to a strike ballot by the unions.

If workers do eventually go on strike, it will be the first legal strike by a black union since the introduction of the Government's new labour dispensation and only the second by black workers in SA's labour history.

The union declared a formal dispute with the firm earlier this year in a bid to gain full recognition, including the right to bargain at plant level on wages and working conditions.

The company has been willing to negotiate the union but only offered to negotiate on wages and working conditions at industrial council level.

A booklet, setting out the union's account of the dispute and listing all Colgate products, was being distributed to foreign and local labour bodies and other organisations likely to support the boycott.

A union spokesman said yesterday all Fosatu affiliates had agreed to support the boycott and that the union was going ahead with its preparations for a formal strike ballot.

The proposed Colgate boycott is the latest of a growing number of consumer boycotts called by unions in recent years. The SA Allied Workers' Union is also attempting to step up its boycott of Wilson Rossiter products.
Cape car plant strikes roll on

By Tony Davis
Labour Reporter

Both major motor industry strikes — at Ford in Port Elizabeth and Leyland near Cape Town — are deadlocked.

About 1300 Ford employees have been suspended from work after their refusal to handle Firestone tyres in support of workers at the Tyre plant in Port Elizabeth. Ford management met officials of the Motor Assembly and Component Workers Union (Mawusa) and warned them against engaging in a secondary strike at the plant and that suspensions would not be lifted until the workers returned and handled suppliers’ products.

Ford has closed down the Cortina plant, although production continues at the Nove and engine plants which have also been affected by the dispute.

At the nearby Firestone plant, the managing director, Mr Peter Morum, said: there was still a partial stayaway from work which he attributed to worker intimidation. Mawusa held talks today to decide on a new course of action.

STRESSED

At the two Leyland plants at Elsies River and Blackheath, the company continued to take on a new work force today after Wednesday’s dismissal of about 1300 employees.

Leyland management has stressed that it will not negotiate with the National Union of Motor Assembly Workers (Numarw) until production has returned to normal. And in Britain, pressure is being brought to bear on Leyland by the trade union movement which has voiced its support for Numarw.

The strikers have demanded wage increases despite an agreement signed last December.

Under the agreement workers were to receive nine cents an hour increase. They are now demanding 25 cents increase.

Numarw has repeated demands made last month during the Sigma motor strike in Manziloli for a R2-an-hour “living wage.” Numarw’s Cape Town secretary, Mr Joe Foster, has accused Leyland of being insensitive to worker’s demands.

In both strike situations, unions are calling for reinstatement of employees without any penalisation.

Although both involve the motor industry, the Port Elizabeth dispute centres on the issue of “solidarity” with other strikers while the Cape Town area strikes involve wage demands.
New union tests its strength in strike

Post Focus

C.P.R. 23/5/87
From Weekend Argus Reporter
Vivien Horler

LONDON. — Jennifer Davis says her life has been shaped by her love of South Africa, where she was born and grew up.

Now, through her untiring opposition to the Government's apartheid policies, she has become executive director of the leading United States anti-apartheid organisation, the American Committee on Africa.

Before taking up the post in July, 47-year-old Mrs Davis is spending time in Oxford researching material for a book which she will co-author on the impact of Western involvement in sub-Saharan Africa since the discovery of gold and diamonds in the south.

CAPITALISM

"What we're trying to establish is: Has Western involvement had this great liberating effect or have Western interests been involved in some of the worst oppression?" she says.

"It is quite clear that the whole structure that has been set up feeds into the growth of Western industrial capitalism. There is much more concern for the rate of profit than there is for the rate of human development."

Mrs Davis has been fighting for a cause since she was a student at Wits at the same time Nelson Mandela was there.

In 1956 she married Michael Davis, a young lawyer who appeared in several political cases. They have two children, both of whom are in college in America.

The family left South Africa almost 20 years ago to settle in America because 'of the difficulties of maintaining what I saw as a viable role.'

'We were fundamentally opposed to apartheid, but couldn't see how we could play much of a role. The 60s were a bad time for doing anything — it became very demoralising.'

Shortly after their arrival in the United States, 'there were campaigns about American investment in South Africa, and because I'd been an economist and had first-hand experience in working conditions there, this was obviously an area I could slot into.'

'There is the strong argument that investment means more for everybody, that growth means a better deal for all.'

'But I felt clearly there was a close link between the development of the gold mining industry — with its foreign capital investment — and the establishment of the migrant labour system. Growth set a pattern which has continued.'

The American Committee on Africa grew out of the civil rights struggle in the United States.

JENNIFER DAVIS — would like to come home, 'but only when I feel I could play a role.'

Although the committee has, since it was founded in the 1950s, been concerned with South Africa, it was also concerned with self-determination elsewhere in Africa, and supported 'liberation struggles' when few African countries were independent.

'America has vast corporate interests in South Africa. The corporations are always saying they don't support apartheid, but that they are not political and what can they do?'

'They say they don't want to be involved, but they are involved, and by taking steps to defend their economic interests they are already taking sides — and I believe they have taken the wrong side,' says Mrs Davis.

'The United States doesn't see popular struggles anywhere as legitimate in their own right. They see everything in global terms: It's either pro-communist or anti-communist. If it's pro-communist that means it's pro-Soviet Union, and that means it's bad.'

DEVELOPMENT

'We need to explain to people in America that the struggle in Southern Africa has very little to do with the Soviet Union — it has to do with the people in the country wanting to change their lives.'

'What of the argument that blacks are better off in South Africa than they are in the rest of Africa?'

'Well, the answer there is partly economic: South African development provides jobs. But just because a foreigner has a job in South Africa doesn't mean his political life in South Africa is better than in his own country.'

'A much more relevant question is: Why is Africa so unevenly developed and why, in South Africa itself, do blacks earn one tenth of what whites earn?'

'I believe South Africa has played an active role in trying to maintain uneven development in sub-Saharan Africa.

'As rich raw materials were discovered in Africa, centres of industrial development grew up, financed by foreign investment and worked by local labour.'

'And the best way of maintaining a pool of local labour was to ensure that the local people had no alternative means of survival.'

'So around the industrial centres were undeveloped labour reserves. Once they were called bantustans — now they are called homelands.'

Mrs Davis believes South Africa is the key to development in sub-Saharan Africa:

'Well, it is the richest country in the area — and a free functioning South Africa would be a tremendous liberating force for the whole of Southern Africa.'

'It has more people, who have more skills than anywhere else in the region — skills that could be used to develop countries in ways that could lead to a better standard of living for everyone.'

Jennifer Davis, now separated from her husband, has spent a long time in New York, and wants to go home.

'But only when I feel that I could play a role in building the country. As someone once said: I would like to feel I could love my country — and love justice too.'
Deadlock, but both doors are ‘open’

By RIAAN DE VILLIERS
Labour Correspondent

The Colgate-Palmolive company said yesterday it was prepared to continue negotiations to avoid strike action by members of the Chemical Workers Industrial Union at its Bulsberg plant.

However, its statement gave no indication that the firm would concede to the union’s demands for full recognition at plant level.

The statement followed the formal deadlock reached at conciliation board meetings on the recognition issue earlier this week — which opens the door to a legal strike by union members.

If the strike goes through, it will be the first legal strike by a black union in the country’s labour history.

The firm also faces a boycott of its products called by the Federation of South African Trade Unions (Fasatu), to which the union is affiliated.

In its first public comment after the conciliation board meetings, the firm expressed regret that the union had called off the negotiations.

The union is demanding the right to negotiate wages and working conditions at plant level, while the firm is only prepared to negotiate on wages at industrial council level.

It said wage negotiations at industry level were the only fair method of ensuring that the company was not placed at a “severe disadvantage” relative to its competitors, which might happen at plant level negotiations.

It said the company’s wage levels were the highest in the industry, at a minimum of R600 a month for the lowest grade shift workers and over R700 a month for grade 1 plant operators, including year-end bonuses.

The company was prepared to make major concessions, while the union was not prepared to make any, it said.

It added it was prepared to “keep the door open” on any suggestions to resolve the dispute.

A union spokesman said last night that the union’s doors remained open as well.

“But the company’s offer means nothing if it is still not prepared to meet our demand.”
PE tense after a week of strikes, sabotage

Sunday Times Reporter

PONTA FELIZ, 15 Dec - Strikes continue after a week of strikes, sabotage and unrest.

The strikes were sparked by a dispute over wages and working conditions. The company has announced that it will be implementing new policies to address these issues. The workers have expressed their disappointment with the company's response.

The situation remains tense, with the possibility of further disruptions in the near future.
Dumile Makanda... at a recent union meeting

by Cassie du Plessis

The downing of tools by a handful of industry workers in Port Elizabeth has become an extensive strike of 3,000 black workers at four factories.

The strike of 1,000 workers at the Ford Cortina plant has paralysed the plant since last Monday, when 400 went on strike at the Ford Robot plant. They left as part of the Ford Cortina and 200 at General Motors.

In the strike's driving seat is a small youthful leader, 30, chairman of the Motor Assembly Components Workers Union.

His rise to prominence is reminiscent of that of the man who in 1979 led a strike at the Ford Cortina plant — who is now an exile after fleeing while under a banning order.

It turns out that Makanda was Bophuthatswana's right-hand man at Ford.

Interviewed at a rally of 30 cheering in the Centenary Hall, New Brighton, this week, Makanda said Bophuthatswana had put him on the road of active politics and mobilising black labour.

Solidarity

Bophuthatswana was founded by a former member of the Port Elizabeth Black Civic Organisation (BOPSO). His role allegedly caused his dismissal from Ford and a subsequent solidarity strike.

Makanda's path and that of Petho have separated. His union now sees fight for civil rights as part of its duty.

The union was launched last year as a rival to the National Union of Motor Assembly and Rubber Workers (affiliated to the Federation of South African Trade Unions) in the Ford Cortina plant. It has since gained the support of the full black labour force at the plant as well as many in other Ford plants.

Makanda said in his interview that all 3,000 workers fired at the meeting had been told to stay out of work on 61 Firestone reinstated 100 black workers over a pension issue early this year.

The company now maintains that it will have to fire 160 to reinstate them.

Says Makanda: "Firestone created the problem so they must solve it."

He said the strike was a "blessing in disguise" for Firestone when it re-employed people it had a chance to leave out of the elderly and sickly workers.

The interview took place against a background of freedom songs and Black Power salutes.

Diabetic

Among those present were some of the 160 former Firestone employees.

One of them, 39, said he had worked at Firestone for 27 years. When he went on re-employment he was left out because he was a diabetic who had to go to hospital for long periods.

John Ndima, 61, said he and his company for 30 years and he believes he was left out because he was in his retirement age.

He is still has two children at home and manages to cover his needs and friends and some pension which was paid on him.

Several former Firestone workers said they had used up all their savings and pension payout money to make ends meet. Whenever they tried to apply for other positions, people rejected them, branding them as Firestone "problem makers."

Meanwhile, leaders in industry in the area criticised the union. They said the union was merely trying to encourage active members. At the same time the government's total policy has been thrown overboard.
GM shuts PE plant for a week's inventory check

By JIMMY MATYU and BILL GARDINER

As the strike by 3,000 workers at Ford, General Motors and Firestone enters its second week, the GM plant in Kempton Road shut down production today for a week-long inventory check.

"According to GM's public relations manager, Mr Peter Ray, the closure was not related to the strike called by the Motor Assembly and Component Workers' Union (Macwusa) in solidarity with 100 Firestone workers who lost their jobs during a pensions dispute.

"It is part of our annual inventory check, planned weeks ago for this time of the year and is not related to the strike in any way," he said.

According to official figures released last week, about 200 GM workers had joined the solidarity strike out of a total workforce of some 1,000.

Union sources have claimed that GM is the last of the "holdout" GM plants to have been affected by the strike.

The plant will reopen on June 2.

At a lively meeting today in the Centenary Great Hall, New Brighton, the Macwusa chairman, Mr Dumile Makanda, said a delegation of 11, consisting of five Macwusa executive members and six former Firestone workers, met Firestone management in Firestone's boardroom last Friday.

He described the meeting as friendly and said Firestone wanted to be informed of worker grievances.

Macwusa met Firestone management at 3pm today.

At today's mass meeting, workers reaffirmed their decision not to return to work until the 100 former Firestone workers were re-hired.

Meanwhile, a spokesman for the 50,000-strong Federation of South African Trade Unions (Fosatu) in Port Elizabeth has accused Macwusa of causing "ethnic divisions" between workers.

The Fosatu-affiliated National Union of Motor Assembly and Rubber Workers (Numawr) which has the support of the majority of coloured workers at Ford and GM had a meeting last week attended by about 700.

It strongly criticised Macwusa for not consulting them over the solidarity strike.

Macwusa has rejected the allegation and has stressed the union was a non-racial body.

Macwusa chairman Mr Dumile Makanda said today the union had been approached by a Fosatu member, Mr D. Khumalo, from Sigma in Pretoria.

The firm was recently hit by a pay strike. Mr Khumalo said Sigma workers were dissatisfied with the Fosatu union's handling of the strike after the dismissal of about 400 Sigma workers.

Macwusa today dissociated itself from smear pamphlets issued under the union's name which called on motorists to bring in their Firestone tyres to the union offices where they would be paid out.
No let-up in Cape motor strikes

Labour Reporter

The two-week-old strikes at Ford in Port Elizabeth and Leyland near Cape Town today showed no signs of letting up as unions adopted non-negotiable stands.

At Leyland, where management has started to take on new work force at the Blackheath and Elies River plants, strikers are sticking to their demands of a R2 an hour wage.

The National Union of Motor Assembly and Rubber Workers (Numarw) which represents the strikers, has organized regional meetings in the Cape Peninsula this week and plans a mass meeting on Friday.

Numarw's secretary, Mr. Joe Foster, said today former Leyland workers would hold to new demands.

It was unlikely Leyland would find enough suitable employees for the two plants.

Last Friday Leyland had taken on about 500 workers out of the full work force of about 1,900.

Leyland has said it will not negotiate with Numarw until production has returned to normal.

At Ford in Port Elizabeth about 1,500 workers were still under suspension after their refusal to handle Firestone tyres.

TYRES

The Cortina plant is closed but production is continuing at the engine and Keave plants only partially affected by the strike.

Motor Assembly and Component Workers' Union chairman Mr. Dumile Makanda has said the strikers will return to work provided they do not have to handle Firestone tyres.

Firestone's managing director, Mr. Peter Norcum, said today there was still a partial stay-away from the plant and that management would be meeting with Makanda to discuss the dispute.

Ford's industrial relations officer, Mr. Fred Perretta, told The Star the company was maintaining its position that workers would stay under suspension until they returned to work and handled all suppliers' products.
Black American defends SA ties

The Star Bureau

NEW YORK — Mr Vernon Jordan, president of the National Urban League and the only black member on the Xerox Corporation board of directors, defended the company's position in South Africa during the annual shareholders' meeting in Chicago.

Mr Jordan is one of the most prominent spokesmen for black interests in America. He helped lead a company response to a shareholder's resolution that would restrict Xerox investment in South Africa.

The resolution called on Xerox to refrain from doing business with South Africa's military or police and not to expand its business through investment or re-investment.

Mr Jordan said: "If all the American companies left South Africa tonight, apartheid would continue in its present form."

He said he believed Xerox was helping blacks in South Africa — blacks who ultimately might be the vanguard of the revolution "that you and I would like to see carried out."

Mr Jordan, a Xerox director since 1974, said the South African system of white supremacy must be changed. But in the process of carrying out a revolution, people needed to be strong, fed and educated.

Debate over the resolution went on for over 30 minutes at the annual meeting, during which representatives of several religious groups spoke for the proposal.

Although he had enough proxy votes to defeat the resolution, Mr C Peter McColough, Xerox chairman and chief executive, listened attentively and explained that the resolution would have the effect of forcing Xerox to pull out of South Africa.

"If disinvestment would bring about an end to apartheid, I'd be for it," Mr Jordan said.

"But the continued presence of American companies in South Africa has positive value. American companies provide jobs. Every company, including Xerox, should do more to help end apartheid."

"
Union rejects 'smear' pamphlet on car tyres

OWN CORRESPONDENT
PORT ELIZABETH The trade union representing thousands of workers at Port Elizabeth's three strike-hit manufacturing plants yesterday reacted angrily to a 'smear' pamphlet distributed in the city's black residential areas at the weekend.

The strike entered its second week today.

The 'smear' pamphlet, issued in the name of the 'Motor Assemblers and Components Workers' Union', claims that 'from today no black man in Port Elizabeth and Uitenhage must have Firestone tyres on their vehicles'.

You must take the Firestone tyres off your vehicles and bring it to the Macwusa office where we will pay you out so you can buy new tyres. We the Macwusa executive have already destroyed all the Firestone tyres we had.

The union's organizing secretary, Mr Government Zungu, said yesterday that Macwusa dissociated itself from the pamphlet.

"This is an attempt to smear our image and incriminate our officials." More than 1000 workers at Firestone, Ford and General Motors downed tools a week ago in sympathy with 100 Firestone workers who were not rehired after a ballot over a pension dispute.
LONDON. — The international trade union movement yesterday condemned Leyland South Africa for dismissing workers who had been on strike.

Strike in PE plant spreads

Own Correspondent

PORT ELIZABETH — The stalemate between workers and management of the three strike-bound Port Elizabeth manufacturing plants could be solved only if the 160 former Firestone workers were reinstated, the union chief at the centre of the dispute said yesterday.

Mr. Dumile Makanda, chairman of the Motor Assemblies and Component Workers' Union of South Africa, yesterday rejected Firestone's offer to employ the workers as the vacancies fell due.

Labour unrest in Port Elizabeth spread yesterday when the majority of black Firestone workers did not report for duty on three shifts.

Firestone management has blamed yesterday's walkout on alleged intimidation of workers at bus terminal in the townships. This has been denied by union officials.

The managing director of Firestone, Mr. Peter Morum, said about 40 black workers had approached management yesterday to be allowed to go home for fear of reprisals from other workers. Permission had been granted.

Police yesterday confirmed reports of intimidation of workers in the townships and patrols at bus stops and the affected motor plants were stepped up.

Mr. Morum dismissed allegations that job reservation was practised in the appointment of staff to supervisory positions and a claim by Mancwana that most of the workers who were not employed were elderly with long service records.

Referring to the striking Ford and GM workers, Mr. Makanda said if management gave its undertaking not to force workers to handle Firestone products, work would resume immediately.

The Ford director of public affairs, Mr. Dunbar Buchan, said yesterday that the situation at the company's three plants was unchanged.

Lost production through the closure of the Cortina plant at Strandshad was costing the company R1 million a day. Today, the 150 striking workers would have forfeited R1 million in wages.

International representatives of world trade unions are backing black workers against multinational firms which, they claim, are ambivalent behind the European Economic Community's code of conduct.

The International Confederation of Free Trade Unions (ITUF) representing 71 million members said they took current labour disputes in South Africa very seriously.

The ITUF's sending a cable of support to the National Motor Workers' Association in South Africa. They have also called the Leyland South Africa management urging them to consult the workers and to negotiate with them over their demands.

The NCWU is the representative body for trade unions throughout the 'free world'.

A pay dispute is behind the closed main gate of Leyland's Blackheath plant yesterday. Many of the workers who were sacked on Wednesday returned throughout the day to collect back pay.

Western Europe, Britain, and the United States

In current discussions with them over the situation in South Africa are the International Labour Organization (ILO), as well as the International Trade Union Confederation — the union representing car workers.

They were also in touch with the British Trade Union Congress (TUC) to see what action could be taken. No effort pressure on British Leyland over the actions of its South African subsidiary.

International trade unions are also approaching the TUC to make representations to the British Government which has a financial stake in British Leyland, and which they say is partly to blame for the South African company's "poor labour record."

They blame the British Government for being lax in ensuring that the EEC code of conduct governing disputes in South Africa was adhered to.

The secretary of the National Union of Motor Assemblies and Related Workers' Union of South Africa, Mr. Joe Foster, told the Cape Times yesterday that there was nothing in the Industrial Conciliation Act which covered the situation in which some members of the union who had been dismissed from Leyland plants in Blackheath and Blackheath's River on Wednesday, did not found themselves.

Some council

There was no industrial council in the Western Cape which entered for the motor assembly industry, and the NWU had been left with little alternative but to allow the dispute to develop along unorthodox lines.

"We could appeal to the minister for the establishment of a conciliation board, but then Leyland could say that the union was not a proper representative of the work force because the company had no work force. It had dismissed the work force."

A meeting of workers and union leaders was held in Bellville yesterday and it was unanimously resolved that workers refused to return to work until they were reinstated.

The workers also demanded that immediate negotiations be held between management and the NWU on a 25 hour minimum wage increase of 25 cents an hour, to come into effect immediately, had been agreed upon.

The workers also demanded that immediate negotiations be held between management and the NWU on a 25 cent an hour minimum wage increase of 25 cents an hour, to come into effect immediately.

A meeting of workers and union leaders was held in Bellville yesterday and it was unanimously resolved that workers refused to return to work until they were reinstated.

The workers also demanded that immediate negotiations be held between management and the NWU on a 25 hour minimum wage increase of 25 cents an hour, to come into effect immediately.

Meeting

Speakers at the meeting, which was attended by about 800 of the approximately 1,000 workers gathered on Wednesday after being on strike for better wages on Thursday last week, emphasized the importance of the workers acting together on their own accord and to return to work at Leyland till their demands have been met.

Leyland's director of communications and public affairs, Mr. A. K. D. P., said yesterday more than 500 people, including workers who had been sacked on Wednesday, had been contacted and production had recommenced at most of the affected plants.
Motor firm strikes continue

Labour Reporter

The Leyland strike continued today after last week's decision by workers to hold out until their demands were met.

A spokesman for the National Union of Motor Assembly and Rubber Workers of South Africa said today that no discussions were scheduled between management and the union.

Strikers at the Blackheath and Elsburg River plants of Leyland began on May 14 over dissatisfaction with wages and a nine-cent-an-hour increase due in July.

MINIMUM WAGE

Last week, workers demanded a minimum wage increase of 50c an hour and negotiations aimed at settling a minimum wage of R2 an hour. The minimum at present is R1.30 an hour.

There were about 100 new work-seekers at the gates of the Blackheath factory today, most of them women.

The Argus reports that Elizabeth Birega, a worker, said the strike of 3,000 workers threatened to enter a crucial stage with a meeting between Firestone management and leaders of the Motor Assembly and Compressors Workers' Union (Marewa) scheduled for today.

The workers at Ford and General Motors plants downed tools last week in sympathy with 100 Firestone workers who were not rehired after a walk-out earlier this year over a pension dispute.

However, there has been little chance of a settlement being reached, the managing director of Firestone, Mr. Peter Majum, said in an interview.

He said that Firestone leaders would not budge a fraction.

"They wanted all 100 former Firestone workers rehired, including the 'drunks and chronic absenteeists,'" he said.

He described them as 'rubbish' union allegations that the company had left out many of the 100 former workers, because they were elderly or sickly.
PE strike 'new phase in labour relations'

Own Correspondent

PORT ELIZABETH. — Port Elizabeth's week-old strike, which has affected production at General Motors and has meant losses of about £3 million to the Ford company, marks South Africa's entry into a new phase in labour relations, says a Rhodes University sociologist, Dr Marianne Roux.

Dr Roux is a co-author of the Ford report on the company's implementation of the Sullivan employment code.

She said in an interview yesterday that the strike, in which more than 3,000 workers downed tools at Ford, Firestone and General Motors in sympathy with 160 Firestone workers who lost their jobs after a pension dispute, was "quite an historical event".

The strike is not concerned only with the workplace, but is a much wider socio-political issue.

For the first time, workers as a group, rather than employees of a particular factory, are pitting themselves against what they see as management as a group.

The strike was called for the Motor Assembly and Component Workers' Union, which represented the strikers, because although it had been called specifically to achieve the re-employment of the Firestone workers, it would also be seen by labour observers as a test of strength for the union.

It could also prove to be the "making or breaking" of the Ford plant: the union could not back down without considerable concessions on the part of the management.

Dr Roux said that the strike had meant a loss of credibility for the union.

And while Ford would not want to be seen to be capitulating to the demands of the workers, neither could it afford to take a hard line and fire all the workers.

Ford would not want to harm its reputation as one of the companies with the most progressive labour relations in South Africa — a reputation which it deserves.

"If one of the three companies should fire strikers, it would be interesting to see how much solidarity there is in the community for Macwusa, and how many people are willing to come forward as trade labour. Macwusa must have been sure of considerable support to have taken up such an issue like this."

Dr Roux suggested that one solution to the dispute could be for all the companies involved in the dispute to offer to take on the former Firestone workers.
Deadlock in PE strike talks

Own Correspondent

PORT ELIZABETH — Two hours of talks between Firestone management and Macwusa, the trade union representing thousands of workers at Port Elizabeth’s three strike-hit manufacturing plants, ended in deadlock yesterday afternoon and a union spokesman said there were no immediate plans for another session.

More than 3,000 workers at Ford, Firestone and General Motors downed tools last week in sympathy with 1,000 Firestone workers who had lost their jobs after a pension dispute.

Macwusa’s organizing secretary, Mr Government Zini, said last night that the union still rejected Firestone’s “farcical” offer to re-employ workers as vacancies came up Firestone management could not be contacted last night.

In another development, the union is reported to have been approached by the former leader of the 4,000 workers who went on strike at the giant Sigma Motor Corporation in Pretoria last month.

Mr Zini said that Mr D Khumalo, who was elected chairman of a committee to represent Sigma workers in a wage dispute, and who was subsequently fired with a number of other strikers, had approached Macwusa to start a branch office in the Pretoria area.

Mr Khumalo and a number of fellow committee members broke away from the Federation of South African Trade Unions last Thursday because of their disillusionment with the union’s handling of the strike.

A branch on the Reef would be Macwusa’s first outside the Port Elizabeth-Uitenhage area.

Earlier yesterday, the Macwusa chairman, Mr Dumile Makanda, said he was “shocked at a claim by a spokesman for the Pretoria-affiliated National Union of Motor Assemblers and Rubber Workers of South Africa that Macwusa was causing “renewed divisions’ between workers.

In a jam-packed report-back meeting at the 5,000-capacity Centenary Hall in New Brighton, Mr Makanda said Numbawa’s criticism of Macwusa for not consulting them over the solidarity strike was “insincere”.

“There has been such a sudden membership surge from them that we have had to offer more than 5,000 forms. Rosaria is realizing that it is losing members in great numbers and this is only a last-ditch effort to save face,”

© Strike phase in labour relations, page 3
By BILL GARDNER

WITH production losses at Firestone's Cowra plant approaching $3.5 million today, there is little indication of an early settlement to the eight-day strike by more than 3,000 Ford, General Motors and Firestone workers.

The workers downed tools last week as a gesture of solidarity with 160 Firestone workers who lost their jobs after a dispute over pensions.

Yesterday's talks between Firestone management and officials of the Motor Assembly and Component Workers Union (Macwun) ended in deadlock with both sides standing firm on the issue of re-employment of the 160 former Firestone workers.

Macwun has rejected management's offer to re-employ the 160 workers as vacancies arise and has demanded that all the workers be rehired. Firestone has insisted that it cannot rehire the 160 workers immediately without dismissing other workers.

The union's organising secretary, Mr. Government Zuz, said he was disappointed about the deadlock.

He added that Firestone officials had told Macwun yesterday that a number of "productive workers" would not be considered for re-employment as vacancies arose.

Macwun officials will report back to workers on the talks at a meeting at the Centenary Hall in New Brighton tomorrow.

Firestone's managing director, Mr. Peter Moren, said that although yesterday's talks had not resolved the current dispute, he was hopeful that an agreement between the two parties would be reached shortly.

He said the number of workers that Firestone would not consider re-engaging once vacancies arose was "marginal."
Motor plants are hit by shortages of components

DEEP concern about the ability of the vehicle component industry to absorb the heavy demands made on it by Government local content programmes has been expressed by the managing director of General Motors South African, Mr Lou Wilking.

Addressing a conference of parts and accessories manufacturers in Port Elizabeth today, he referred to the difficulties which had arisen as a result of the firm trying to meet the 60% local content requirement on local bus passenger cars and commercial vehicles.

"There were also difficulties in adjusting to the requirement of fitting on-diesel powered vehicles, with engines manufactured at the new Atlantis plant near Cape Town.

To some of the more problems this programme has created, GMS has, in fact, committed to making it work.

"What is of concern to us is the ability of the components industry in South Africa to keep on absorbing new programmes. There are already signs of distress and of cracks appearing," said Mr Wilking.

Thus he said, was not surprising when one considers the growth demand that South African supermarkets have had to face.

In 1990 the industry was quoted at a passenger car volume of 213,000 units which generated a need for 150 million components. This would rise to 1 million 340 million parts when all current programmes are completed.

This represented an increase in passenger car components of 10 million within three years.

It was "not a wonder" the industry was facing critical parts shortages, but was there any immediate sign of the situation improving?

That was why, he said, and the balance of the motor industry, had been urging the Government to adopt an orderly and coordinated approach to future local content programmes.

Mr Wilking said.

Mr Wilking told the Financial Mail last week in Johannesburg that the South African auto industry had produced up to 10,000 "ruined" cars valued at about 170 million which could not be sold because they lacked certain parts.

He said the car manufacturers were asking the Government to reduce the local content requirements on cars from 60% to 50%.

He said output was being restricted by the inability of local component manufacturers to deliver the parts.
LEYLAND SOUTH AFRICA is going ahead with recruitment after the dismissal last week of about 1000 workers from its plants in Blackheath and Elsies River.

The workers had been on strike for three working days in support of demands for better pay.

Their dismissal last Wednesday precipitated calls of solidarity from the National Federation of Labour, which also called Leyland South Africa union meetings to translate workers' demands and negotiate with the International Metalworkers' Federation.

Leyland South Africa's director of communications and public affairs, Mr. A. J. Theron, produced statistics showing that Leif lived before the workers' dismissal and that about 300 were new appointments.

He said the strike had cost Leyland the production of about 800 vehicles, but that the production of both plants would recommence on all departments. It was expected that full production would be restored to both plants by early next month.

The secretary of the National Union of Motor Assemblers and Rubber Workers of South Africa, Mr. J. J. Heyns, said on Monday that the workers would not seek re-employment until their wage demands had been met.

Meanwhile, in Pontefract, both talks between Firestone and the National Assembly and Firestone workers' union of South Africa had ended in deadlock on Monday, and the strike had lasted for about 400 workers at Firestone Ford and General Motors in sight.

In spite of the failure of Monday's meeting, both sides emphasised yesterday that the "door is still open".

A settlement at Firestone is believed to be the key to ending the strike at Ford and GM as well.

The situation at all three companies remained unchanged yesterday, and negotiations continued yesterday afternoon, according to the Federation of Employers' Organisations.

A national union, the Amalgamated Metal and General Workers' Union, where 40 members of the union were dismissed after a strike, were continuing.

Mr. Theron said the union would continue talking to Firestone, but added: "I am not sure to reach agreements, because they will not re-employ all those who were dismissed, but their families, as well, are at stake and the workers are determined to continue".

Firestone's managing director, Mr. R. R. Ross, said: "We have not broken off, and we will continue to seek a solution. We are not expecting any difficulties, but we are prepared to discuss the matter with the workers of a new union movement."
Makanda statement clarified

IN a report in the Evening Post on May 22, Mr. Damile Makanda, chairman of the Motor Assembly and Component Workers' Union, was quoted as saying workers should not return to work until 100 former Firestone workers were rehired.

Mr. Makanda has asked us to point out that what he said was that workers should not handle Firestone products until the 100 former Firestone workers were re-employed.
MORE than 15,000 pamphlets calling for a boycott of Colgate-Palmolive products have been distributed on the Reef in support of what may become the first legal strike by black workers under the country's new labour dispensation.

The boycott call has been put out by the Chemical Workers Industrial Union, a Government-registered affiliate of Fosatu (Federation of South African Trade Unions), which was locked in a recognition dispute with the local management of the multinational Colgate-Palmolive company for more than a year.

It is being extended to a national campaign, with the support of all other member unions under the Fosatu umbrella. It comes within days of a call by the South African Allied Workers' Union for a boycott of all Wilson-Rowntree sweets.

The decision to call the Colgate boycott follows the deadlock last week of a Labour Department conciliation board hearing between the union and Colgate.

Colgate-Palmolive is a signatory to the Sullivan Code which commits US companies to removing discrimination in their South African factories. It has in the past been seen as a model employer by other US companies operating in the country.

If the deadlock is not broken, according to a union representative, CWU will hold a strike ballot within the next two weeks among Colgate's 240 black workers.

Depending on the outcome, a strike could begin in mid-June about three weeks from now. It will be the first legal black strike under the Government's new labour laws introduced last year.

In preparation, the union has distributed to local and foreign labour bodies a booklet outlining the month-old dispute with Colgate. In black townships it is distributing a pamphlet calling for support for the boycott and naming 18 Colgate products.

The Colgate union dispute began in February last year with a refusal by management at the Boksburg plant to meet union representatives or to grant recognition to the union which claims to represent more than two-thirds of the Colgate workforce.

A petition signed by 150 black workers was presented to Colgate in an attempt to have a representative from the union permitted to establish relations with the company.

By October, Colgate had agreed to recognize the union as the only to represent the black workforce in "matters relating to shop floor matters". This would have excluded the national general union from negotiations specifically for the union - an initiative that might not be included in CWU's original demand for recognition.

The wrangling continued until the union declared a formal dispute earlier this year. In an attempt to resolve it, both sides went to arbitration by a Department of Labour conciliation board.

But business ended in deadlock last week. By law, the union must wait 31 days after a breakdown in mediation before calling a strike - a wait that will end in three weeks. Although both sides still maintain they are willing to negotiate, Fosatu has suggested that Colgate had made no serious attempt to meet the union's demands.

As a result, Fosatu said, it was calling for a nationwide boycott against Colgate products in its workforce, including the unions and the boycott call as "the work of ourselves not interested in the democratic welfare of the workers."

Trade unions have in recent years recognized consumer boycotts as powerful weapons with which to force employers. The last two years have seen boycotts called against Fosatu and Menzies and products of both companies, red meat as a result of disputes in the Cape Wineland industry, and more recently, of Wilson-Rowntree sweets, following the sackings of 50 workers at Reynolds' East London factory.

Although Fosatu has not formally discussed the boycott, a spokesman said this week that Fosatu and its members "would want to support anything that would get workers back to work on their terms."
GM wants change in SA before expansion

The Star Bureau
NEW YORK — The giant General Motors Corporation has placed a political price tag on future expansion in South Africa — a major change for the better in the social and political lives of the country's black, coloured and Indian populations.

The corporation, in a statement in New York, says it has always been its policy that it could not promote the necessary social and economic changes in South Africa by withdrawing from the country.

It also believes the single most important factor in the creation of a more promising investment climate in South Africa is the resolution of the country's pressing social problems, which have been a major part of the apartheid system.

The statement adds:

"General Motors remains hopeful that these problems will be solved on a basis which is just and equitable to all segments of the South African population."

"Should conditions in South Africa improve substantially, the corporation may consider an expansion of its activities in that country."

"Any investment decisions regarding that country will, of course, necessarily include an assessment of the economic, social and political environment, not only in South Africa, but in neighboring countries as well."

The statement said some GM shareholders were concerned about the welfare and ethical implications of the giant car manufacturer's policy of selling vehicles to the South African Police and Army and had urged the company to discontinue these sales.

The corporation believes, however, that stopping the sale of these vehicles could seriously threaten the ability of GM to continue operations in South Africa, thus preventing it from contributing to change.

Explaining its attitude to trade with the government, the company said its basic policy is in support of all measures which advance worldwide trade and development and international, non-racial political and geographical boundaries — a view equally applicable to South Africa.
GM price tag on expansion in SA

Argus Bureau

NEW YORK — The giant General Motors Corporation has placed a political price tag on future expansion in South Africa — a major change for the better in the social and political lives of the country's black, coloured and Indian populations.

The corporation, in a statement in New York, says it has always been its belief that it could not help promote the necessary social and economic changes in South Africa by withdrawing from the country.

It also believed that the single most important factor in the creation of a more promising investment climate in South Africa is a resolution of the country's pressing social problems, which have their origins in the apartheid system.

HOPES

The statement added: 'General Motors remains hopeful that these problems will be resolved on a basis which is just and equitable to all segments of the South African population.

Should conditions in South Africa improve substantially, the corporation expresses an expansion of its activities in that country.

Any investment decisions regarding that country will, of course, necessarily include and assessment of the economic, social and political environment, not only in South Africa, but in neighbouring countries as well.'

ETHICS

The statement said some General Motors' stockholders were concerned about the social and ethical implications of the company selling vehicles in the South African Police and Army and had urged the company to discontinue these sales.

The corporation believed, however, that stopping the sale of these vehicles could seriously threaten the ability of GM to continue operations in South Africa, thus preventing it from contributing to change.

Explaining its attitude to trade with the communist bloc, the company said its basic policy is in support of all measures which advance worldwide trade and development and investment, irrespective of political and geographic boundaries — a view equally applicable to South Africa.
PORT ELIZABETH — The long-running strike by an about 2,500 Ford, Firestone and General Motors workers entered its third week today.

In a new development, Ford’s Cortina plant in Strandfontein — closed 15 days ago after a walkout by about 1,000 workers — was opened yesterday.

The industrial relations director, Mr. Fred Ferrer, said there were plans to supplement the non-striking workforce at the Cortina plant with workers from Ford’s two other plants, which had not been seriously affected.

Mr. Government Zad, organizing secretary of the Motor Assemblers’ and Component Workers’ Union, said yesterday union officials would meet with workers after the expiry of the ban at 8am today, to brief them on the strike’s latest developments.

He said the union would meet Firestone’s negotiating team at 11am today to hear its reply to the union’s recent proposal that the three manufacturing companies, each agree to employ a quota of the jobless men.

A spokesman for General Motors said the plant reopened yesterday after a week-long closure for an inventory check.
Cape motor strike is over

THE 17-DAY strike by an estimated 3,500 Ford, General Motors and Firestone workers in Port Elizabeth was suspended yesterday after workers unanimously accepted a new proposal by the Firestone management.

The men have agreed to return to work on Monday. According to officials of the Motor Assemblers and Component Workers' Union, Firestone has agreed to reinstate immediately 21 of the 130 dismissed workers who are in the 50-year age group.

The rest will be taken back as vacancies arise - which is a rate of about 15 a month depending on the demand for supplies by motor manufacturers.

Yesterday's end to the protracted dispute, which centred on a demand by Macwusa that Firestone reinstate 130 workers who lost their jobs after a pension strike in January, was reached after five hectic meetings - two by union members and three between a union delegation and management of the three strike-hit companies.

About 5,000 people attended a report-back meeting in New Brighton this afternoon at which union members decided unanimously to accept Firestone's offer.

In New Brighton's Nishkina Road, traffic was slowed down for about 15 minutes as hundreds of jubilant workers, pouring out of the hall, chanted peacefully in the street.

The union had initially demanded that Firestone reinstate the 130 workers en masse in a specified period of time. When Firestone pointed out that this would mean laying off 130 people, the union proposed that each of the three strike-hit companies agree to employ a quota of the jobless men.

Addressing the report-back meeting, Mr Government Zibi, organising secretary of Macwusa, said Ford and General Motors would not be drawn into the Firestone domestic matter.

He said the management of the two companies assured the union delegation at two separate meetings yesterday that if the jobless men sought employment at their plants, they would not be prejudiced by their involvement in the Firestone strike, but at the same time they would not be given preferential treatment.

They undertook to see to their welfare until Firestone had taken them all back.

It was also decided that the situation would be reviewed in due course and further action would be taken if the reinstatement of the men did not go as promised.

Workers meet again this morning for a post-strike briefing.
Cape motor strike is over

THE 17-DAY strike by an estimated 3,500 Ford, General Motors and Firestone workers in Port Elizabeth was suspended yesterday after workers unanimously accepted a new proposal by the Firestone management.

The men have agreed to return to work on Monday.

According to officials of the Motor Assemblers and Component Workers' Union, Firestone has agreed to reinstate immediately 21 of the 135 dismissed workers who are in the 50-year age group.

The rest will be taken back as vacancies arise - which is at a rate of about 15 a month depending on the demand for supplies by motor manufacturers.

Yesterday's end to the protracted dispute, which centred on a demand by Maewusa that Firestone reinstate 130 workers who lost their jobs after a pension strike in January, was reached after five hasty meetings - two by union members and three between a union delegation and management of the three strike-hit companies.

About 3,000 people attended a report-back meeting in New Brighton this afternoon at which union members decided unanimously to accept Firestone's offer.

In New Brighton's Neshikisa Road, traffic was slowed down for about 15 minutes as hundreds of jubilant workers, pouring out of the hall, chanted peacefully in the street.

The union had initially demanded that Firestone reinstate the 130 workers on mass in a specified period of time. When Firestone pointed out that this would mean laying off 130 people, the union proposed that each of the three strike-hit companies agree to employ a quota of the jobless men.

Addressing the report-back meeting, Mr Government Zini, organising secretary of Maewusa, said Ford and General Motors would not be drawn into the dispute because it was a domestic matter.

He said the management of the two companies assured the union delegation at two separate meetings yesterday that if the jobless men sought employment at their plants, they would not be prejudiced by their involvement in the Firestone strike, but at the same time they would not be given preferential treatment.

They undertook to see to their welfare until Firestone had taken them all back.

It was also decided that the situation would be reviewed in due course and further action would be taken if the reinstatement of the men did not go as promised.

Workers meet again this morning for a post-strike briefing.
Mobil oils for Koeberg

Mobil Oil South Africa (Pty) Ltd announced that it had been awarded the contract for the construction of South Africa's first nuclear power station at Koeberg. The contract, valued at R1.2 billion, was awarded by the Department of Energy and Power Generation.

In making the announcement, Mobil's sales director, Mr. A. F. F. Lewis, stated that the contract was for 10 years.

Mobil's extensive experience and expertise in the field of nuclear power station fabrication is well known. In the United States, it has constructed 13 nuclear power plants, producing over 5,000 megawatts of power. On completion, the Koeberg nuclear power station is expected to generate 1,024 megawatts of power, which is equivalent to the output of the country's current nuclear power plants.

In terms of the expansion of nuclear power, the country has seen an increase in generating capacity from 9.4% in 1979 to 24.7% in 1989, and projected to 27% in 1999. This growth has been accompanied by the commissioning of new reactors, bringing new nuclear power to the grid. In 1989, 11.2% of the country's electricity was generated by nuclear power.

Mr. Lewis stated that Mobil's experience in the nuclear industry is the key factor in winning the contract. The company has a long history of involvement in nuclear research and development.

The research was carried out in the Industrial Research Laboratories in Hambrook, England, and at the center in Purwell, Britain.
Colgate tries to avert strike action

By SELLO RABOTHTA

The group personnel manager at Colgate-Palmolive, Mr. D H Magid, this week had pamphlets distributed calling on employees not to take heed of the Chemical Workers Industrial Union as it does not even have many members as members.

The pamphlets were distributed as a result of the union threat to call for a legal strike at Colgate-Palmolive and a call for a boycott of the company's products in the country. The strike would be called this month according to an earlier report from the union.

The pamphlets signed by Mr Magid mentioned that it was a true reflection of a meeting held between the company and members of the union under the chairmanship of Mr Bevers, a member of the Department of Manpower Utilisation.

Sections of the pamphlets read: "At the meeting Colgate did everything possible to reach an agreement with the union. Colgate presented a proposal for an agreement to cover the year 1981. In its proposal Colgate expressed its willingness to grant the following four of the union's five demands:"

- Recognition of the union by the company.
- Access by union to company premises.
- Recognition of union shop stewards.
- Stop order facilitating.

Colgate would like to point out that the union and the Press keep talking about a majority of Colgate workers. The union does not even have half the Colgate workers as members. So we are only talking about a small number of people who are making a lot of noise.

Meanwhile the Chemical Workers Industrial Union has also issued pamphlets calling for a boycott of Colgate-Palmolive products by the community. The CWIU has also said it would hold a strike ballot within the next two weeks among the company's 240 black workers and, depending on the outcome, a strike would be called in mid-June. This action would make it the first legal strike since the Government's new laws were introduced last year.
Colgate out to discredit us, says union

By STEVEN FRIEDMAN
Labour Reporter

TENSION Prevailing at Colgate-Palmolive's Rockville plant, where the first-ever legal strike ballot by a trade union with black members will be held next week. The union of the Federated Chemical Workers Industrial Union and the workers voted in favour of a strike at the plant a few days ago, with the strike ballot made possible by the Proctor & Gamble Co. Federal Labour Relations Act, which was introduced by the Government in 1946. The union has also begun organizing a consumer boycott against Colgate.

In a statement yesterday, the union claimed Colgate had reacted to the strike threat by a "concerted" pamphlet campaign in which it said strikers would probably lose their jobs and find it difficult to find other work. It also claimed that Colgate had reacted to the boycott by stepping up advertising and distributing free samples of its products to consumers.

Colgate yesterday denied it had threatened to fire workers if a strike took place. But Colgate's Mr. Westmacott said that the company would be entitled to replace workers who struck illegally and would decide to do this. He also said the distribution of pamphlets was "normal practice" and had nothing to do with the labour dispute.

The union is demanding that the company bargain directly with it on wages and working conditions. Colgate says it will recognize the union, but that bargaining on these issues must be channelled through an industrial council.

An official conciliation board was appointed to attempt to resolve the dispute, but negotiations broke down. The workers can strike legally from June 20 if the union wins the strike ballot. Yesterday, the union accused Colgate of making a "concerted attempt" to stop the strike and minimize the effects of the boycott. It claimed the company was doing this by running a campaign inside the factory to "forward the union. In its statement, the company officials and worker leaders inside the plant, misinform workers about the recent negotiations and intimidate workers by threatening them with loss of their jobs."

It said Colgate had issued four pamphlets to its workers within the past week. One said workers had been "misled and tricked by persons who are not employees of the company."

A pamphlet also said: "It is highly likely that workers who join the strike would lose their jobs and would lose the company's pension contribution and would qualify themselves for unemployment insurance benefits."

It adds: "Many other employers will not like to hire workers who have been involved in a strike."

Mr. Westmacott yesterday confirmed that Colgate had been distributing pamphlets among workers. He denied, however, that the company had threatened to fire workers or that it was taking extraordinary steps to stop the boycott.

He declined to comment further until Colgate had studied the union's statement.
Sovetan Reporter

THE Chemical Workers' Industrial Union (CWIU) has branded Colgate-Palmolive pamphlet campaign a Boksburg as an attempt to discredit the union and intimidate and misinform workers.

Management issued the pamphlets to workers after they demanded negotiations by the CWIU. In the pamphlet, Colgate claimed that it was an enlightened firm which offered better pay and work conditions than other companies.

In a statement contradicting Colgate's claims, the union said it had three petitions signed by two-thirds of the workers to back the union claim that it represented more than just half-hourly paid Colgate workers.

Management had been against a union proposal for a secret ballot to test the union's representativeness because management knew it would lose out, the union said.

The union also pointed out that the Colgate campaign aimed to discredit the union and its officials and leaders at the plant, misinform workers about the recent negotiations and intimidate workers by threatening them with loss of jobs.

The union also said the company appeared to have stepped up its advertising and had recently supplied many townships and suburbs with free Colgate product samples. The union has called for a boycott of Colgate products.

According to the union, Colgate issued four pamphlets, and some workers had even received them at home.

One pamphlet had told workers it was their right to think for themselves and that workers were being "misled,.fooled and tricked" by employees and others who do not care what will happen to them.

The pamphlet also warned workers not to allow themselves to be used.

Another pamphlet had warned workers not to strike and had explained the difference between legal and illegal strikes.

The true purpose of the pamphlet was revealed when it warned that workers on strike would lose their jobs and that the company contributions and unemployment benefits would be disqualified from the union said.

The pamphlet had also warned other employers would not want to hire workers who had been involved in a strike.
Colgate accused of smear tactics

The protracted row over union recognition at Colgate-Palmolive in Boksburg has reached new heights of bitterness with the union accusing the company of "intimidatory and smear tactics."

The Chemical Workers' Industrial Union (CWIU) also claims the multinational company has stepped up its advertising campaign and is distributing free samples to disguise the current consumer boycott of Colgate products.

Colgate management has said the distribution of samples was "routine marketing strategy" but further comment could not be obtained last night. The statement setting out these claims is the latest development in a year-long drive by the CWIU for full negotiating rights at Colgate's Boksburg plant. The company has agreed to recognize the union, but will only negotiate wages and working conditions at Industrial Council level.

A conciliation board meeting called recently to resolve the dispute ended in deadlock.

In its statement, the CWIU claims the company last week issued four pamphlets to workers as part of a campaign to dissuade them from striking. One of these had said workers were being "misled, fooled and tricked by persons who are not members of the company" and another had attacked elected worker representatives in the plant.
Colgate Denies "smear" Charges

The management of the Colgate-Palmolive plant in Park Ridge has denied recent charges that it had violated the rights of workers and encouraged war strikes, as reported in an article in the labor press.

In a statement released today, the National Union (N.U.) announced that the company had refused to negotiate over the right to strike, a move that could lead to a strike action.

The N.U. has charged that the company had offered the workers $10,000 to prevent the strike, a charge the company has denied. The N.U. also said it had received complaints from workers about unfair treatment.

The company has threatened to shut down the plant if the strike continues, a threat that has not been met with the expected response. The N.U. has called on the government to intervene.

If the strike continues, the company said, it will be forced to lay off workers and operate on a reduced scale. The N.U. has called for a strike to protect the workers' rights.
Establishment of the Gross Value of a Crop is Impossible

The government must sell a total greater than the amount it would buy at its (a) the ten to the government would have to

Draw up a schedule showing how much the government would have to

would have to buy at each of the ten successions, price of each (2). How

(3) From the demand curve find the total amount which may be offered on the market in order to fetch the prices discovered in part (4).

Comprehensive agreement reached at Keyes

See 1/6/18
In 1966 there were 28,672 outpatient attendances. By 1976, this figure had increased more than tenfold.

The outpatient services comprised two sections:

a) Outpatient department psychiatry clinics (i.e., patients attend at hospital clinics).

b) Community services: Trained sister travel to the patients in their home environment. This service has been available since 1962 at provincial hospitals, but only since 1974 at state hospitals.

Community Statistics

In 1919 there was a psychiatric bed for every 1,000 people in the country. By 1976 there was a bed for every 700. (This figure includes all beds of all category I institutions).

If the 1976 figure for beds at state mental hospitals only is used, then there was a bed for every 1,000 people in the population, i.e., an overall decline in the number of beds at state psychiatric hospitals per head of population.

In 1919 one in every 1,000 people were patients in psychiatric hospitals. By 1976 one in every 800 were resident inpatients.

Admissions 1919-1976

In 1920, 1,750 patients were admitted to state hospitals. In 1976 at least 29,700 patients were admitted to state, provincial, and homeland hospitals. The number of admissions grew more than 20 times. The discharges x-inched the pattern of the admissions.

6. e.g., if hospital A with 800 beds has 300 inpatients in a year, none of whom improve and qualify for discharge, then a total of 800 patients would be resident in that hospital annually. If, on the other hand, hospital B discharges all its patients every 6 weeks, then a total of 6,900 patients would be resident in that hospital annually. Thus nearly 9 times as many patients rotate through hospital B compared to hospital A annually.
Wide concessions in new labour deal

Own Correspondent

JOHANNESBURG. — Important new features have been incorporated in a re-negotiated recognition agreement between the multi-national Kellingley company and the South African Union of Mineworkers.

The agreement supercedes a preliminary agreement reached between the two parties in August 1953 when the union's affiliated union was still unregistered.

The new agreement allows shop stewards to attend to union and company business within working hours.

Refereed workers are to receive increased benefits through redundancy pay as well as a system for preferential re-employment.

Maternity benefits have been introduced, described by union spokesmen as "totally novel."

The agreement provides for a senior shop steward to be elected by shop stewards, who will have access to workers throughout the company on approval of plant management.

He will be entitled to an amount of company time to attend to his duties in the plant, also to be agreed to by plant management.

The company has undertaken to consider employing referred workers in other departments when possible.

Pregnant women leaving their jobs are to have preference if they wish to return after their confinement.

A mining trade union has agreed to re-negotiation of past tariffs in return for a separate "wages" improving benefits and service conditions.

Any negotiations will apparently depend on the availability of mines to find suitable white skilled labour.

This is the implication of a joint statement yesterday by the SA Engineers' Firemen's and Operators' Association and the Chamber of Mines, announcing an agreement between the two parties.

"This will only be done after due consultation with the relevant mine or mines," the statement said.
Workers at Ford plant go back.

Post-Recorder

BLACK workers reported for work today at Ford's506 Sandgate assembly plant after a four-week strike.

There were no incidents as the 900 workers shouted in, "We're back! We're back!" The strike lasted five days, but all the workers had agreed not to carry on with work until appealable.

The Sandgate plant was scheduled to begin production that Thursday but the reopening was postponed after demands at the engine plant resulted in the laying off of 900 workers.

The engine-plant workers learned the management was trying to shut them with a view to phasing out black workers.

After discussions between management and the Motor and Engineering Workers' Union of South Africa (AMWU), workers returned to the same plant on Thursday.

The date for the reopening of the 2,000-metre-long plant will be decided by Ford's management today.
Colgate row: workers back boycott call

BY STEVEN FRIEDMAN
Labour Reporter

THE labour dispute at Colgate-Palmolive escalated yesterday when worker representatives from about 15 East Rand factories pledged their support for a boycott of the company's products.

At a meeting in Benoni yesterday, about 80 shop stewards and other workers in unions affiliated to the Federation of South African Trade Unions (Fosatu) pledged to distribute literature backing the boycott among workers in factories and on buses and to urge their colleagues not to buy Colgate products.

Similar meetings were held yesterday in Vereeniging and Johannesburg and Fosatu is hoping to enforce a nation-wide boycott.

Indications are that the Colgate boycott is becoming a rallying point among Fosatu-affiliated unions in a range of factories on the East Rand.

A legal strike ballot, the first by a predominantly black union, is being held at Colgate's Boksburg plant. The result will be known later in the week.

Colgate has agreed to recognise Fosatu's Chemical Industrial Workers Union (CIWU), but says it will not bargain with the union on pay and work conditions. It says this bargaining must take place at an official industrial council.

The CIWU rejects this. It says most Colgate workers are not covered by a council and that workers want direct wage bargaining with the company.

An official conciliation board failed to resolve the dispute and, if the union wins the strike ballot, workers can strike legally from June 30.

It is understood, however, that talks between the company and the union are taking place in a bid to avert the strike.

At yesterday's meeting in Benoni, worker representatives from other factories agreed to actively support a consumer boycott against Colgate called by the union and backed by Fosatu.

Speakers said the Colgate dispute was "the struggle of all workers."

"If Colgate workers win, we all win. If they lose, we all lose," a speaker from one factory said.

Several speakers were critical of the industrial council system which, they claimed, was of little help to workers.

Speakers accused Colgate of violating the Rev Leon Sullivan's labour code for American companies operating here and of not fulfilling promises to end discrimination in the plant.

Colgate spokesmen were not available yesterday, but the company has insisted throughout the dispute that conditions within its plant are not discriminatory and that it adheres to the Sullivan code.
More support for boycott of Colgate

By STEVEN FRIEDMAN
Labour Reporter

WORKERS at "15 to 20" factories in the Germiston area have endorsed the boycott of Colgate-Palmolive products and agreed to support it actively, a spokesman for the Federation of South African Trade Unions (Fosatu) said yesterday.

On Sunday, representatives of about 15 other East Rand factories took a similar decision at a meeting in Benoni.

The spokesman added that Fosatu was also appealing to teachers, nursing and taxi owners' associations to support the boycott.

He said the issue had also been discussed at a meeting of the Azanian Peoples' Organisation on the East Rand.

Colgate is involved in a union recognition dispute with Fosatu's Chemical Industries Workers' Union (CIWU). The company says it will reject the union, but that wage and working condition negotiations must take place through an official industrial council.

The CIWU rejects this and charges the company with refusing to negotiate on these issues.

The union and Fosatu have called for a nationwide consumer boycott against Colgate and it appears the boycott is gaining momentum in the Winterveld area.

The CIWU might also call a strike ballot on the issue of a strike ballot currently being held at the plant producing "yes" votes.

Talks between the two parties have taken place in an attempt to end the dispute.
Union says

Lord aims to work force

On Correspondent

PORT VICTORIA, Thursday

The Union has issued a notice to its members at Union Coloured Workers' Union of South Africa that it aims to work force in the employ of each of the plantations. It is a notice that aims to be more successful than in the past.

The acting leader of the Union, Mr. Government Zinn, and Mr. Zinn, said yesterday that the union had resolved that Lord was trying to divide its members to set up the plantations, probably because the plant is one of the largest in the country. There is also in order to maintain the plantation by splitting the labour force.

Barreto believes the attempt to divide the labour force was being made in two ways. The company is taking on only coloured workers in new jobs.

It was pulling many coloured workers in superior positions in the company. The company had since 1979 brought coloured workers into its retrenchment plant. So far the number at the retrenchment plant is 3,000. The total number of African workers was 50.

At the retrenchment plant, the two groups were now working equally. The plant had been divided into about 50 new coloured workers to increase production. The black workers were employed by the management of the retrenchment plant and the coloured workers were to be employed as well.

The issue was resolved at a meeting between the Union and management. But now Mr. Zinn said in his belief, that the union had been divided into dividing new coloured workers in the retrenchment plant. A few new African workers were being employed as well.

Mr. Zinn and other coloured workers had requested the union to become members. The union was numerical but so far had only African members. It was still now and to put off the ground, not started among Africans.
Ballot almost sure to end in Colgate strike

By Drew Forrest

Pressure was mounting on the Colgate-Palmolive company in Boksburg as union officials yesterday finished counting the ballot for what may be the second legal strike by black workers in South African labour history.

The strike ballot, involving members of the Chemical Workers’ Industrial Union (CWIU), began last week and is almost certain to approve strike action. But the outcome may possibly not be published until after the union’s report back and planning meeting at the weekend.

Talks are believed to be in progress between the union and management in a last-ditch attempt to avert the strike, and to settle the long and acrimonious dispute at Colgate over wage, conditions, and company rules. The CWIU is demanding plant level negotiation on wages and working conditions while the company has said it will barring
Workers for Strike

By Dewey Burch, Workers World

The plant's management has been working closely with the unions for the past several months to negotiate a new contract. But the workers are tired of the constant pressure to work longer hours and for lower wages. They demand better working conditions and respect at their workplace.

The workers have voted to go on strike. They are asking for support from their fellow workers to join them in this struggle. They believe that together they can make a difference.

Please show your support for the workers by donating to their strike fund. Every little bit helps. Thank you for your support.
Dispute ends as Colgate accedes to union demands

The long and bitter row over union recognition at Colgate-Palmolive in Poleg- burg has been settled, with the company acceding to union demands for plant-level bargaining on wages and working conditions.

This breakthrough for the Fairweld-affiliated Chemical Workers Industrial Union (CWIU) was announced in a joint statement yesterday. The company has also agreed to drop its demand that the union seek admission to the Industrial Council for the Chemical Industry.

According to the statement, the company told the CWIU last Friday that it "agreed in principle to recognize the right of the union to negotiate wages and conditions of employment on an impartial basis."

In return, the union has agreed to roll off the consumer boycott of Colgate products, launched last month, and cancel the threatened legal strike by its Colgate members.

The parties will now move to negotiate a detailed recognition agreement.

Colgate's about-face on the issue of plant-level negotiations follows a union campaign lasting more than a year.

Last month, statutory conciliation board procedures activated to settle the dispute broke down, empowering the union to hold a strike ballot and stage a legal strike at Colgate within 30 days.

Workers voted overwhelmingly for strike action in a ballot last week...
No backing for firms

DETOUR.—The United Auto Workers Union has asked banks handling $800-million in pension funds 'not to invest the money in five US firms which have not supported an equal-employment code for US businesses in South Africa.'

The firms are US Steel Corporation, Dresser Industries, Newmont Mining Corporation, Allegheny Ludlum Industries and Falcon Corporation.—Sapa-AP.
THE CHEMICAL Workers' Industrial Union and Colgate-Palmolive Limited have agreed to a settlement over the dispute for union recognition and the union is now taking steps to instruct its members and sister unions to refrain from any boycott action at the company's Boksburg plant.

Colgate-Palmolive last week informed the CWIU that management has agreed in principle to recognise the right of the union to negotiate wages and employment conditions on behalf of its members on an in-plant basis. The agreement was conditional on the provision provided by the union of a written undertaking to call off strike threats and consumer boycott of the company's products.

Colgate-Palmolive has agreed that it will no longer insist that the union seek admission to the industrial council for the chemical industry.

The parties have agreed to re-engage in negotiations for a further detailed recognition agreement. Steps are under way to re-enter into negotiations immediately.

The union welcomed Colgate-Palmolive's acceptance of the principle of in-plant bargaining for wages and conditions of employment. The union has now called off both the strike and the product boycott.
Fosatu warns of further disputes

The Federation of SA Trade Unions (Fosatu) has warned that there are likely to be further disputes of the type which erupted at Colgate-Palmolive in Bloemfontein.

"The question of where negotiations take place is clearly the main battle in terms of union recognition," it said yesterday.

On Monday it was announced that Colgate had yielded to demands by the Chemical Workers Industrial Union — a Fosatu affiliate — for negotiations on wages and working conditions at plant level.

The company had insisted that negotiations on these should be restricted to the Industrial Council, and a 14-month-long recognition dispute culminated in a consumer boycott of Colgate products and a threatened local strike called off as part of the settlement.

"Managements and the State," the statement said, "are still attempting to decide unilaterally where such negotiations should take place."

"Fosatu unions would decide on the basis of their own experience which forums would allow them to bargain effectively and from strength."
Police make 'unofficial' raid on 'political' union

By STEVEN FRIEDMAN
Labour Reporter

POLICE this week raided the offices of the union whose members were involved in the recent strikes in the Port Elizabeth motor industry and told officials the union was a "political" organization.

According to police, the raid was carried out because a telephone had been set up in the building housing the union's offices.

According to the union, 10 policemen burst in on a meeting which was taking place in the building and held the meeting going on the premises that the union was a "political" organization.

They said they intended calling in the Security Police and were alleged to have ripped the union's telephone from its socket.

The union officials described the police as "arbitrary.

Three Moewen officials, including the union's general secretary, Mr. Donald Melanda, are in detention under security legislation. An unknown number of the members of General Motors are also being held.

Moewen members struck recently at head General Motors and Ford over one of the first 'resolute' strikes in the country's history.

Shortly after the strike was settled, union members at Port Elizabeth were arrested in a separate strike.

When the Moewen men were allegedly detained, police said their detention was not connected with the strikes.
of Power

A Question

ON

IS

3.4.1

Merit

COMMISSIONERS’ REPORTS

The settlement of the dispute at the Collective-Parliamentary Plant in

Bosbury marks a new phase in the check-tariff drive for

the movement of electricity. The situation now is that

the plants are being operated at their full capacity, and

the power is being distributed to all the consumers, who are

satisfied with the service. The Commission is satisfied with

the progress made so far, and recommends the continuance

of the work in future.

The Commission also states that the

plant is functioning in a satisfactory manner, and that

the operations are being carried out efficiently. The

Commission further states that the

plant is functioning in a satisfactory manner, and that

the operations are being carried out efficiently. The

Commission further states that the

plant is functioning in a satisfactory manner, and that

the operations are being carried out efficiently. The

Commission further states that the

plant is functioning in a satisfactory manner, and that

the operations are being carried out efficiently. The

Commission further states that the

plant is functioning in a satisfactory manner, and that

the operations are being carried out efficiently. The

Commission further states that the
Jobs saved for 200 textile workers

By Frank Jeans

A salvage operation by Mercabank has saved the jobs of 200 textile workers employed by hosiery manufacturers, Keepers Hosiery.

The company was formed in 1971 under United States franchise and following good trading years, difficulties were encountered which led to its being placed under provisional liquidation in 1979.

The then administrator for the provisional liquidator, Mr. Desmond Bruns, however, stimulated new interest which in turn led to Mercabank coming in with an offer of compromise.

OPTIONS

There were two options opened to Dr. Charles Ferreira of Mercabank and Mr. Bruns - the company could be disposed of, resulting in the dismissal of 200 workers; or Mercabank and Mr. Bruns could take over the plant and assets of Keepers Hosiery.

They settled for the latter course.

"The workers were of great concern to us," says Mr. Bruns. "This was one of the main motivations to keep things afloat."

During the negotiations on the future of the company, the Garment Workers Union and the Industrial Council were concerned at the possibility of 200 men losing their jobs, as they could not be absorbed elsewhere in an already overstrained textile market.

STABLE LABOUR

"Now," says Mr. Bruns, "with the new organisation named Eastern Province Textiles, we have a completely stable labour force."

"This was evident during the 1980 textile workers' strike in Natal, when our workers, in appreciation, refused to participate."

In the restructured management team, Mr. Bruns is managing director of Eastern Province Textiles, with the board comprising Dr. Ferreira, Mr. A. W. Hofmeyr and Mr. K. Coetse, all of Mercabank.

Sales and marketing have been streamlined and Mr. A. M. Waite appointed sales and production planning manager.

And one of the big advances for the new company has been the signing of a contract with the local South African franchisees for the manufacturing of Pierre Cardin hosiery as well as the McGregor franchise.
Huge extensions by Firestone

By Mervyn Hart

Firestone South Africa is to spend R22.5-million in the first phase of a R55-million expansion programme to meet tyre demands for the 1980s.

Nearly half the R35-million to be spent locally will be devoted to enlarging the capacity of the Port Elizabeth plant to make the country independent of imported tyres for various industrial purposes, Mr Peter Morum, chief executive of Firestone SA, said at a Press conference yesterday.

He said it was also Firestone policy to use raw materials produced by the local chemical industry to the greatest possible extent. This would save foreign exchange.

UNHEALTHY

"We believe this programme will enable us to have access to the total local market and get back business which has been lost to imports.

"This country needs employment opportunities and, as a manufacturer, we hope to provide this instead of providing more employment offshore," he said.

Mr Morum said that it was an unhealthy situation for a high percentage of tyres used in South Africa to be imported, particularly as the wages forming part of their cost structure could have been paid to local workers and thus be reinjected into the economy.

Firestone currently produces more than 500 sizes and styles of tyres, ranging in diameter from 25 cm mini-tyres to giant 3.3 m high earthmover tyres weighing 2 700 kg each.

ACQUISITION

Mr Morum said the company's balance sheet was clean and it would finance the programme itself.

The investment follows the recent acquisition of a majority interest in Firestone SA by the Federal group.
Firestone announce huge expansion programme

By SELLO RABOTHATA

FIRESTONE South Africa yesterday announced the biggest single expansion in the tyre industry, an investment of R22.5-million over the next 15 months.

The board of directors is reported to have given approval for the first stage of a R55-million expansion programme, the major proportion of which is to be spent locally. The investment will increase the company’s overall capacity by a third.

Mr Peter Morum, chief executive of Firestone SA, said that the investment was being made to meet the growing needs of Southern Africa as a developing region.

He said: “Of the investment of R22.5-million, R17.5-million will be for the company’s Port Elizabeth plant, which will be extended to an area of 500,000 square metres, and modernised. Construction will start next month.

The balance of R5-million will be for advanced tyre-building equipment to be installed at the company’s ultra-modern tyre factory at Brits,” he said.

Mr Morum also said at a press conference held at the Landrost Hotel he did not believe that the high incidence of imported tyres in South Africa was in the interest of the country, and the investment was planned to meet the current shortages in major sectors of the economy.

The expansion programme would materially increase the company’s production capacity of tyres, tubes and related products for industry. With these capacities designed to make South Africa self-sufficient, Mr Morum said it was also policy to use raw materials produced by the local chemical industry to the greatest possible extent.

The company’s massive investment follows the recent acquisition of a majority interest in the local company by the Federale Group. The idea will provide employment opportunities for 500 people who will be trained for semi-skilled jobs. Mr Morum said that the idea was to attack the local market and thereafter to tackle the export market.
GM pledge to help black industry

Argus Bureau

PORT ELIZABETH.—An appeal was made last night to black businessmen to concentrate more on manufacturing for the motor industry to alleviate critical parts shortages.

The managing director of General Motors South Africa, Mr. Lou Wilking, made the appeal at a banquet of the National African Federated Chamber of Commerce (Nafecos) during its annual conference in Port Elizabeth.

SHORTAGES

"When you look at the demand growth pattern, it is small wonder that the industry is daily facing critical parts shortages. We need more suppliers," he said.

"We appeal to black suppliers to involve themselves in the many segments of the industry open to them. Any aspiring black entrepreneur should not confine his manufacturing efforts — big or small — to a single company.

"We should direct it to the motor industry as a whole.

"We at General Motors have received approaches from black businessmen who are eager to be accepted as suppliers of commodities and components.

"We shall leave no stone unturned to assist them in becoming established."

The president of Nafecos, Mr. S. M. Mabuwayane, said in an earlier speech to the conference, that the 'sad and sombre contrast of life' in South Africa, was the 'time bomb' on which the country was sitting.

He said the truth was revealed by reported instances of starvation in Zimbabwe, chronic housing shortages in Soweto and in other major urban areas of the country, and 'dire poverty' in certain parts of the homelands.
Firestone to spend R55m expanding tyre plant

Financial Reporter

FIRESTONE South Africa will spend R21.500.000 in the next 18 months to increase its tyre-production capacity by 35% in the first stage of a R55-million expansion programme.

Mr Peter Morum, chief executive of the company, announcing the programme in Johannesburg this week, said it would be the biggest single expansion in South Africa's R400-million a year tyre industry.

It follows the recent acquisition by Federale Volkas of a majority shareholding in Firestone South Africa.

Mr Morum said the total programme, designed over two years, would result in a material increase of the company's production capacity of tyres, tubes and related products for the industry and would mean increasing the company's staff complement by 500 people.

Increased production would help to meet current shortages, and rising demand in Southern Africa while helping to make the South African tyre industry more self-sufficient.

It would also reduce the presently high incidence of imported tyres in South Africa, now 15% of the total market.

The company would adopt a policy of using locally-produced raw materials to the greatest possible extent.

Most of the R22-million is to modernise and expand the company's plant in Port Elizabeth to cover an area of 500,000m². Construction will start next month.

While a total of about R33-million of the budget is to be spent locally on expanding the plants at Port Elizabeth and Brits, the rest of the R55-million is to buy import machinery and equipment.

The money for the expansion is to be borrowed both locally and overseas. Mr Morum said the ratio of funds from either source would depend on which offered the lowest interest rates.
The Committee of the Western Cape Chapter of Quantity Surveyors Prize for the best all-round student in any year of study the highest marks in the following subjects respectively.

- Professional Practice
- Building Economics I
- Building Economics II
- Surveying
- Building Construction
- Building Construction

Low Keen

C Sessions

The student in each of the above subjects being the student in the association prizes in the third, fourth, and fifth years of study the best student in the building construction.

Dispute at Colgate

The editor intends to raise the point in the next issue.
Colgate workers walk out
SA investment in US a counter ploy

GREATER investment in the United States by South African corporations could help to blunt the campaign for an end to American involvement in South Africa's economy, according to the SA Foundation's US director, Mr John Chettle.

He says in an article in Barlow '81 that South African businessmen have considerable ability and enjoy high respect abroad.

"It is time for them to use that influence," he suggests.

With the election of President Reagan it is no longer imperative that South African corporations have to maintain a subtle, low-key and unpublished presence.

"It is generally recognised that the new Administration gives the South African Government an opportunity to make the internal reforms to which it is committed in an atmosphere free from the tension and threats which characterised the previous four years. It is less often noted that the new Administration also affords some new and exciting possibilities to the South African sector. These possibilities have both an economic and a political dimension, and they relate both to Africa and the US and to the "exception and reality" which caused those reverses."

"High officials of the Administration believe that South African businessmen can make a great contribution to the sub-continent, and that if the Admin can develop the areas economically and thus do something to relieve the economic distress which might encourage other countries to look to the Soviet Union for help."

Officials have pointed out that hostility to South Africa tends to increase in inverse proportion to distance from the subject. If this policy were developed, US embassies in countries less accustomed to dealing with South Africa would give "quiet encouragement" to those countries to develop their relations with South Africa.

"There could be obvious political as well as economic benefits arising from such an investment," Mr Chettle says.

"One of the most striking recent phenomena in American politics has been the rise of the political action committees sponsored by business."

"The funds raised by businesses from their employees for the campaign of selected and sympathetic Congressmen have immeasurably enhanced the power of these businesses to direct attention to issues which they consider of vital importance to their interests."

The American political system recognises and provides normal and accepted access for private pressure groups. The fact that such access has been used up to now almost entirely by South Africa's enemies and opponents does not disqualify South African corporations with investments in US corporate entities from protecting their interests in the same way as every other American corporation tries to do.

"There is all the difference in the world between open, public and acknowledged influence and that derived from such covert action as the attempt to purchase the Washington Star," he says.

Subject of building construction

$ a brick association prizes

II : NO AWARD

II A R LOW KEEP

I N G D S E S S I O N S

5 th, 6th, 7th, 8th, 9th, 10th, 11th, 12th, 13th, 14th of each of the best student in the

IIA PRIZES

P A S W H I T

Professional practice

The highest marks in

for the student obtaining

supervisor's prize

Cape Chapter of Quantity

The committee of the Western

P C KEY

In any year of study

BELL JOHN PRIZE

(continued)
Strikers vote to go back

About 250 workers at Colgate-Palmolive have voted to end their two-day strike and return to work today. A spokesman for the Postman-affiliated Chemical Workers Industrial Union said the decision was reached after a general meeting at the plant, led by shop stewards.

The main cause of the strike was the workers' concern over what they saw as slow progress in negotiations at Colgate over union recognition.

Management warned yesterday that unless they returned to work by tomorrow they would be fired.
A NUMBER of workers in one department at Port Elizabeth's Firestone Tyre plant stopped work yesterday.

According to a union source, workers in the tyre-building department had downed tools over incentive pay.

"The issue has been going on for some time now, so the workers in that section have decided not to work until management comes with a reasonable offer," he said.

The managing director of Firestone, Mr Peter Morum, confirmed there was a dispute but there was "no necessity for sensation". He didn't know how many workers were involved as he had just returned from leave.

Production had been affected but this was not significant, he said.
WORKERS at Colgate-Palmolive yesterday decided to call off their strike after management urged them to return to work by tomorrow or be regarded as having terminated their employment.

The decision to return to work was reached after worker representatives met with management and agreed to having further talks next week. The dispute arose after management was accused of applying “delaying tactics” in the recognition of the Chemical Workers Industrial Union.
Laboratory Reporter

Conciliation board procedures have been set in motion and talks will resume between Colgate and the Chemical Workers’ Industrial Union next Tuesday.

Workers at the Boksburg plant went on strike this week complaining that management was slow in initiating in-plant negotiations.

DISMISSAL

The 250 workers were given until today to return to work or face dismissal. The morning shift resumed work today.

In a statement Colgate said it did not consider it necessary to hold parallel talks at the plant when talks were being held at conciliation board level.

Conciliation board talks scheduled for yesterday were postponed until next week because management felt it was wrong to hold negotiations when workers were on strike, the statement said.

---

Building

Miss J. M. F. Sandlands

for the best project in

First Year, Architecture Prize

Mr. Thornton White Prize

(continued)
On strike

By BIL GARDNER

About 100 tyre workers in the Ford plant at Firestone factory in Port Eliz.

The strike was reported to have been called by the Ford workers over proposed pension and bonus changes. The workers were demanding a guaranteed pension and bonus of £150 a year in return for the £1.50 a week reduction in wages. The company refused to negotiate on the pension, saying it was too expensive. However, the workers said they would accept a reduction in wages if there was a promise of more work in the future. The company said it would not promise anything and told the workers to return to work.

According to a union source, the workers had been told not to return to work and were being prepared for a strike. The union had written to the company giving 48 hours notice of the strike, which would start at midnight. The workers said they were prepared to fight for their rights and would not give in easily. The company said it would not negotiate on the strike and would continue to run the factory. The union said it would not give up and would continue to fight for the workers' rights.
Optimism in Dunlop

DURBAN — Dunlop South Africa has boosted first-half earnings by 31 percent and remains optimistic for the second half of 1981.

The interim report says that although consumer demand is not expected to increase at the same rate, July to December earnings should at least equal the first-half's R55.1 million.

First-half earnings in 1980 were R32.2 million.

During the first half, Dunlop boosted before-tax profit by 36 percent to R18.3 million on the basis of a 33 percent lift in sales (to R97.5 million).

Tax took a slight 11 percent instead of last year's 20.4 percent of profit, leaving attributable profit 31 percent ahead at R33.3 million.

The board says it is "hypothetically reducing the disparity between interim and final dividends."
Ford's role in labour relations was a pivotal one. The company's policies and practices significantly influenced the lives of its workers. In the early years, Ford employed a paternalistic approach, providing a range of benefits to its employees, including healthcare, retirement plans, and education assistance. However, as the company expanded, so did the complexity of its labour relations, leading to conflicts and negotiations over wages, hours, and working conditions.

In the 1930s, Ford faced a labor strike that lasted several months. The strike was a result of workers demanding higher wages and better working conditions. Ford's response was to bring in police and military forces to restore order, highlighting the tense relationship between the company and its workforce.

Post-World War II, Ford's labour relations improved with the implementation of more democratic practices. The company established the Ford Foundation, which supported education and community projects. This move was seen as a gesture of goodwill towards its employees and the broader public.

Today, Ford continues to navigate the complex landscape of labour relations, balancing the needs of its workforce with the demands of business and the marketplace.

When 1,900 workers at Ford Motor Company went on strike in 1918, the company's response was swift and decisive. The strike was a result of workers demanding better working conditions and higher wages. Ford, under the leadership of Henry Ford, initiated a series of reforms, including the introduction of the eight-hour workday, higher wages, and the establishment of the Ford Motor Company Health Department. These changes were seen as a significant shift in the company's approach to labour relations.

The strike was a pivotal moment in Ford's history, leading to a more collaborative relationship between the company and its workforce. Today, Ford continues to prioritize the welfare of its employees, investing in healthcare, education, and other benefits to support its workforce.

Post Focus
NEW YORK - Civil Rights leaders including the Rev Jesse L Jackson have called for a nationwide boycott by blacks of Coke and other Coca-Cola company products, claiming the concern keeps blacks out of its policy making and profit sharing positions.

“We're asking people to drink in their best interests ... and don't choke on coke,” said Mr. Jackson, head of People United to Save Humanity (PUSH).

He said that the multi-million Rand company also markets such popular soft drinks as Tab, Sprite, Mellow Yellow, Fresca and Mr. Pibb.

Mr. Jackson said meetings with Coca-Cola representatives in the past seven months to discuss the company's responsibility to the nation's black community had produced only a "cosmetic relationship".

He said there are no blacks on the 18 member board of directors, and none of its 350 bottling franchises or 4,000 National Fountain wholesale businesses is black owned.

Coca-Cola spokesman Mr. Carlton Curtis said the company's only black board member, Mr. William Allison, left in 1977 to take up a position in the Carter Administration.

"The Coca-Cola company has long been a leader in making opportunities available for black on various levels," Mr. Curtis said in a telephone interview.
Firm leads the way with nod to union

By STEVEN FRIEDMAN

THE first in an expected spate of union recognition agreements on the unrest-hit East Rand was announced yesterday when a General Tire subsidiary — Pigott, Maskew and Company — revealed that it recognised the Fosatu-affiliated Chemical Workers Industrial Union (CWIU).

Top chess champions check in today

Mail Reporter

FOUR of the world’s top chess players arrived in South Africa today for the Oude Meester Grand Prix in the SABC auditorium at Auckland Park, Johannesburg.

They are Viktor Korchnoi, John Nunn, Robert Hubner and Ulf Andersson.

A spokesman for the sponsor said participation of the four — regarded as the world’s most accomplished players — was finalised without any adverse political pressure.

The players are all within 100 rating points of each other — the equivalent of one stroke in golf.

Korchnoi, the world’s number two player, is well known to chess fans in South Africa. He won the Oude Meester tournament in 1979.

John Nunn, 24, is Britain’s number one player and became an international master in 1974 and an international grandmaster in 1978.

Ulf Andersson, from Sweden, Robert Hubner, from Germany, both have impressive international chess victories to their credit.

Early gifts anyone?

Mail Reporter

THE Wildlife Society of South Africa is thinking well ahead — with five months to go before Christmas they have issued a catalogue of 75 gifts and cards to “avoid last minute rush and possible disappointments.”

The mail-order catalogue, which is valid until May 31, 1982, offers the public a new range of gifts such as candles, coasters and calendars.

The catalogue, which is available now, can be ordered from PO Box 1373, Maritzburg, $50.

Pigott Maskew — which employs about 500 workers at its Boksburg plant — is General Tire’s largest industrial rubber manufacturing company and the second of the company’s subsidiaries to recognise a predominantly black union.

Reliable sources say the agreement is expected to be followed shortly by several more involving Fosatu unions.

A formal agreement between CWIU and Coigate-Palmolive, the scene of a bitter union recognition dispute which attracted widespread employer and union interest, is expected soon.

A number of other companies have been negotiating with Fosatu unions on wages and other issues. Although the talks have not yet resulted in formal recognition agreements, these are expected shortly.

Upsurge

Three formal recognition agreements between employers and Fosatu unions have been signed on the East Rand — at Kellogg, Fasco and Fargesta — but yesterday’s was the first to be signed since the recent upsurge of union activity in the area.

It is also CWIU’s first East Rand agreement and the first in Boksburg — the scene of much of the recent East Rand labour unrest.

A statement issued yesterday by General Tire says the agreement was concluded last week and would be signed by a union representative and the company’s managing director, Mr J. P. Pretoria.

“The negotiations between the two parties have been amicably conducted and both hope the relationship between them will be of mutual benefit,” the statement quotes Mr Pretoria as saying.

Dispute

It is understood that the agreement provides for full negotiations between the company and the union on wages and working conditions — a stipulation which has been the subject of intense dispute at some plants.

CWIU representatives were unwilling to comment on the agreement yesterday as the union agreed not to expand on the company’s statement.

• The first General Tire subsidiary to recognise a predominantly black union was Transville Rubber, which recognised the Fosatu-affiliated Metal and Allied Workers Union at its plant in Wynberg, Johannesburg.
GM chief explains why his company stays here

THE decision of General Motors Corporation to continue its operations in South Africa is based on the belief that the company's presence in South Africa remains a prudent investment for its stockholders, and that the introduction of new vehicles in the coming years General Motors South African will enhance its competitive position and facilitate its involvement as a force for further social and economic progress.

This was said in Port Elizabeth today by the managing director of General Motors South Africa, Mr. Louis Wilkin, who added: "We believe that our continued operation in South Africa can help to promote constructive change and demonstrate our confidence in South Africa's long-term economic stability and future."

He was addressing a symposium organized by the South Africa and the Family Life Advisory Centre in the East Cape.

Any discussion of a foreign investment operation in South Africa must include the most controversial and difficult condition, and that is the Government's policy on apartheid," said Mr. Wilkin. "This is a policy that is rejected in a number of South African laws, and one which we — General Motors — are critical of and opposed to."

"Because of the opposition to discriminatory laws by employers and other groups, two Government commissions were appointed in 1978 to investigate many aspects of the South African legislation."

"The Wichtman Commission focused its efforts primarily on labour legislation, while the Biekart Commission addressed itself to matters related to the mobility and utilization of blacks in the workforce."

"Many of the recommendations of these commissions have already been made law, which has resulted in a lessening of the restrictions of the discriminatory legislation."

"At the present time, the only essential factor impacting GM's ability to fully implement equal employment opportunities is the recognized limited education attainment of the black and other non-white population groups."

Mr. Wilkin said GMSA had initiated a number of programs to improve this situation. "A major example is our endorsement of Dr. Sullivan's statement of principles of United States firms with affiliates in South Africa."

"The Sullivan principles are supported by over 140 firms operating in South Africa, and we were one of the first 12 companies to endorse them."

"In the most recent published monitoring of companies in South Africa, GMSA received the highest possible Sullivan rating."

He pointed out that last year GM SA had completed a project costing more than $4 million which had upgraded and consolidated the plant facilities and improved economic opportunities for blacks. "We are particularly proud of the training centre which has allowed us to double our in-plant training capacity."

"In 1980, which was the first full year of operation of the new training centre, we succeeded in obtaining full indenture status for black apprenticeship programs."

Also last year, 144 black and coloured unskilled operators benefited from the company's training in welding, metal finishing and other skills, and this year the figure would be even higher, said Mr. Wilkin. In addition, GM SA operated a fully-equipped mobile training unit which instructed dealer service personnel in sheet metal repair, spray painting and general mechanical maintenance.

So far the unit had trained nearly 1500 blacks in South Africa and the homeland states.

Mr. Wilkin urged the speeding up of job training.

From the semi-skilled levels could emerge the people who were so critically needed to provide the job capacity in South Africa industry generally.

"South Africa can become the workshop of the African continent.

"We have the infrastructure and resources but the need is there to utilize these resources to attain economic growth, and in turn this necessitates an increase in employment and better quality of life for the expanding South African force."

"The initiative lies with us, employers of labour."

"We have to be imaginative and we must recognize that this will entail the expenditure of considerable money."

"It is incumbent on both employers and employees to create a new industrial structure that will facilitate the most productive use of South Africa's labour force in an orderly and constructive manner."

---

**Compiled Section**

**Term I & A. PERIOD OPTIONS**

1. William Blake
2. Victorian Novel and the Age
3. Wuthering Heights
4. Melville and Browning
5. Voltaire
6. The Nineteenth Century American Poetry
7. Contemporary American Poetry
8. Introduction to Modern Drama
9. Beckett
10. Language and Medieval Options
11. The Arthurian Legend
12. "Riddles and Crises" (SAMN 38)
13. Thought of the Twentieth Century
14. T.S. Eliot
15. The Poetry of T.S. Eliot
16. The Novels of Thomas Hardy
17. The Novels of W.B. Yeats
18. Conrad and Joseph Conrad
20. T.S. Eliot
22. The Poetry of T.S. Eliot (SAMN 38)
23. The Poetry of A.E. Housman
24. The Poetry of T.S. Eliot
25. The Poetry of A.E. Housman

**Term III & A. PERIOD OPTIONS**

10. Language and Medieval Options
11. The Arthurian Legend
12. "Riddles and Crises" (SAMN 38)
13. Thought of the Twentieth Century
14. T.S. Eliot
15. The Poetry of T.S. Eliot
16. The Novels of Thomas Hardy
17. The Novels of W.B. Yeats
18. Conrad and Joseph Conrad
20. T.S. Eliot
22. The Poetry of T.S. Eliot (SAMN 38)
23. The Poetry of A.E. Housman
24. The Poetry of A.E. Housman
25. The Poetry of A.E. Housman
Factors in efforts to solve labour problems outlined

BY SANDRA SMITH

INDUSTRY needed to take a stand on issues outside the factory such as housing, police harassment, and education, if it wanted to help solve the difficult labour problems in South Africa, said Mr. Fred Ferreira, the Ford Motor Company's director of industrial relations.

He was addressing a conference of the International Association of Commerce and Economics Students at Rhodes University, Grahamstown, on "South Africa's growing labour problem".

Mr Ferreira said Ford was having assumed a leadership role in the process of change in industry.

One cannot deny people certain rights for generations and then expect a steady, orderly and compliant workforce, he said.

Labour unrest was especially prevalent in the Eastern Cape, as it had some of the oldest educational institutions in South Africa, which provided a framework for political consciousness that elsewhere, Mr Ferreira said;

The homogeneity of the black population and a vacuum in leadership which often led to the emergence of "inarticulate leaders", were also factors in labour unrest in the Eastern Cape.

Ford, particularly, was the scene of strikes because, as a multinational company, it was seen as being "cold" and inflexible in its attitude. It was also seen as being powerful enough to under represent the voice of the United States.

The Sullivan Principles, which provided employment guidelines for US companies in South Africa, tended to raise worker expectations. Wage comparisons for US workers at Ford in 1971 was probably a result of the company's adherence to these principles.

Ford was also one of the first companies to have established an unregistered black trade union.

It was necessary for Ford to have an "arm-length relationship" with unions and avoid the area of having a "sweetheart" union.

Common causes for all strikes in South Africa were the recognition process, discriminatory practices in grant, wages, and participation in the decision-making process and a lack of both in the "system".

Other factors were the transfers of social and political problems to the work place, a lack of opportunities for workers, a demand for company to act as an agents of change and an unwillingness to compromise on the part of workers.

Some solutions were for companies to define and make known their position on union recognition, to remove wage and other inequalities, to create special programmes to remove negative effects and to take a stand on outside issues such as housing, police harassment and education.

It was also necessary to improve the grievance procedure and discipline system, to reserve education and training programmes, and create opportunities for participation.
Sasol links with US in cost-slash know-how

BY DAVID CARTE

SASOL is to collaborate with Westinghouse of the US in developing, testing and marketing a new coal gasifier that could slash costs in oil-from-coal technology.

After prolonged negotiations, the two companies have concluded an agreement in terms of which Westinghouse will supply and install the gasifier at Sasol 2, Secunda.

Sasol will provide operating manpower, technical back-up and coal and connect the gasifier to the rest of its plant.

The gasifier, unlike existing ones, is able to use fine coal. This will be the first commercial-sized plant of its kind in the world.

If it is a success, Sasol will be able to use fine coal for the first time in synthetic fuel production.

Modern mining techniques have meant that a greater proportion of coal production emerges as fine coal, so the new gasifier should significantly increase fuel yields a ton of coal.

If the "pressurised fluidised bed gasification system" succeeds, Sasol will employ further such gasifiers and, with Westinghouse, will market the gasifier internationally.

Westinghouse has successfully tested a pilot plant using 35 tons of coal a day at Waltz Mill, Philadelphia. It wants Sasol to test a 1,200-ton-a-day plant.

Mr William H Peace, general manager of Westinghouse synthetic fuels, described the agreement as "a unique opportunity to demonstrate the Westinghouse gasification technology on a commercial scale much sooner than it could be done in the US".

"As a result of this project, we will be able to make this very clean and efficient gasification technology available on a commercial, commercial scale product here in the US and elsewhere much earlier than anybody had hoped.

"We believe it can reduce significantly the costs of producing synthetic fuels from coal.

Mr Malcolm Dyos, Westinghouse manager of the project, said: "Sasol Two is the one place in the world with the huge support facilities needed for such a full-scale demonstration.

"In addition, they have the operating experience, a vital ingredient needed to make any new gasification technology work in a production environment.

The demonstration unit will be completed in 1983 and once fully operational, it will be acquired for permanent use by Sasol.

Sasol says that when it has been fully demonstrated as a commercial system, 'licensing of the gasifier to third parties will take place on the basis of an equal partnership between Westinghouse and Sasol'.

Dr John Holmgren, manager, Technology and Operations for the synthetic fuels division said the Westinghouse technology had been under development since 1970 and had received funding assistance from the US Department of Energy, the Gas Research Institute and other organisations.

The Bud time to wait and Pointers to US slide

IN ECONOMICS — as in most sports — timing is the secret.

There is no mysterious art, for example, in raising or lowering taxes. The consequences of either action can, however, be variously beneficial or disastrous, according to their appropriateness.

Many important can be, and now are and when they are.

For all that, the tax system is the one to which the range of measures that he can be applied to the collection of taxes. Such measures are designed to produce the same results as are produced by other methods. They include the imposition of direct taxes, such as income tax, and indirect taxes, such as sales tax. The amount and rate of these taxes can be altered to achieve the desired effect.

In the US, the government has been using tax measures to encourage certain activities and discourage others. For example, the government has imposed higher taxes on alcohol and tobacco products to discourage their consumption. Conversely, the government has provided tax incentives for research and development to encourage innovation.

In the UK, the government has used taxation to influence the behavior of individuals and businesses. For instance, the government has introduced measures to encourage saving and investment by increasing the personal and corporate tax breaks available for these activities.

In both countries, taxation has been used as a tool to influence the economy. For example, during times of economic downturn, governments may reduce taxes to stimulate economic activity. Conversely, during times of inflation, governments may increase taxes to slow economic growth.

The use of taxation as a tool to influence the economy has been a controversial issue. Some argue that taxation should be used to achieve social goals, such as reducing income inequality. Others argue that taxation should be used to achieve economic goals, such as promoting economic growth.

Regardless of the debate over the role of taxation, it is clear that taxation is a powerful tool that can be used to influence both individual and economic behavior. The government in both the US and the UK has used taxation to influence the behavior of individuals and businesses, and the consequences of these actions can be significant.
5. The line was re-submitted (compare note 6).

6. The abbreviation <BACKSPACE> must only be typed once (compare note 6).

7. To put a comment on the blank line, the line must be terminated by a 
   <CTE> which preceded the statement.

8. Clear the PROG. file (compare note 5).

9. Retrieve the program's entry and processing error, if any.

10. Print lines 1 to 100, starting at line 1.

11. Change all occurrences of <CTE> to <CTE>.

12. Exit from <CTE>.

13. Remember to enter <CTE>.

14. Save <CTE> in the file, where full use is made of the conversational APL system. The run is assumed to have taken place at a slow speed used and responses into the program. 2

15. Enter additional comments, if any.
Merit pay at plant goes up

SALARIED workers at the Ford Motor Company in Port Elizabeth have received a substantial salary adjustment from this month.

A spokesman for Ford confirmed today that "supplementary merit adjustments" varying between 10% and 20% had been made for salaried workers from the beginning of this month."
Sasolburg trial run a success

First trial run of Atotech Catalysts 15-Million plant at Sasolburg have been a success.

The plant - a joint venture between Sweden and South Africa group - will produce catalysts for the elemental process which until now have had to be imported.

At the trial run was Dr. C. Hofmann, chairman of Australian Catalys and Catalysts and member of the board of management of Swedishman, who was "delighted with the rapid progress in the construction of the plant.

One of the main feedstocks for Atotech Catalys is being supplied locally by the plant.

The feedstock will be supplied primarily from the new Hoechst polyphosphoric acid plant in Krugersdorp.

The managing director of Hoechst 89, Mr. A. L. P. Pally, gave work on the Krugersdorp plant is making good progress and will be in full operation during 1962.

The plant represents an investment of about A$1 million.

In addition to the construction of the plant, the project is to include a research and experimental laboratory on site.

Each month more coals are added to the test battery, and the test is being run under constant conditions. The results obtained so far indicate the quality and quantity of the coals tested.}

Managing Director - D.R. (retiring 15th April, 1962)
Agreement ends Colgate strike

Labour Reporter

The signing of a recognition agreement between the management of Colgate-Palmolive in Boksburg and the Chemical Workers' Industrial Union (CWIU) has marked an end to several months of protracted dispute.

The agreement, which was signed in Johannesburg last week, also makes provision for grievance and disciplinary procedures between the parties as well as shop steward elections.

The dispute started over the issue of in-plant negotiations which were demanded by the CWIU while Colgate stuck to its decision to discuss wage issues only at the Industrial Council level.

There was initially a threat of illegal strike action by Colgate workers and there was later an illegal strike in July when workers complained that negotiations had bogged down.
LTA and Jacobs of California link to form national energy giant

By Frank Jeans

A new giant in the chemical, energy and petrochemicals fields has been created with the linking of the LTA group and a major international construction company, Jacobs Engineering of California.

The formation of Jacobs-LTA Engineering — the South African company will have a 55 percent interest and Jacobs 45 percent — is the "slashing of the knot" after a successful three-year courtship in which the two have been involved in projects including diamond recovery and coal-processing operations.

The alliance will now form the base for a spread of specialised projects in South Africa and, although an announcement on these would be premature, it can be assumed that they will cover energy and petrochemicals.

Jacobs strengthening of its stake in South Africa is through the dynamic Mite division of LTA which controls mechanical, electrical and process engineering work, and has charge of projects such as the R100-million uranium processing plant at Van Reenen.

Mr David Thomson, chairman of Mite, heads the Jacobs-LTA combine.

Jacobs, founded by Dr Joseph J Jacobs as a chemical-engineering company in 1917, is involved in more than 20 countries and has a total contract value of R1000-million dollars.

Jacobs is in the top league of energy supply assessment and through computer techniques, serves the US Government and the big oil companies up to date on demand, supply and prices for oil, gas and petrochemicals up to the end of the century.

Announcing the formation of Jacobs-LTA in a joint statement in Johannesburg, Dr Jacobs, the chairman of LTA, Dr Zach de Beer, said:

"There are different paths to growth, but in traditional activities such as building and roadmaking — both highly competitive and critical — it is better to seek growth through diversification and development of skills.

"Several of our major competitors, quite naturally from their point of view, have elected to diversify right outside the construction field. I don't deny that our refusal to do so has to do with our membership of the greater Anglo American Group.

"That, I am comfortable with the idea that LTA should be and remain a specialist in the field of construction and engineering services," said Dr de Beer.

Mr David Thomson who heads a new giant in the engineering industry.

"I."

3.1. POWERING ON THE TERMINAL

3.2. LOGGING INTO THE COMPUTER

3.3. USING THE UNIX 1100/81 SYSTEM
Mercury Reporter

ABOUT half of the workers who, downed tools at the Dunlop plant in Ladysmith, following a dispute with management over wages on Monday, morning returned to work yesterday, according to Mr. John Lowe, works director for Dunlop SA Ltd.

Mr. Lowe said between 30 and 40 workers refused to work on Monday and elected to be paid off. But since then, they had been returning in dribs and drabs and only about 20 men had not returned by yesterday afternoon.

According to Mr. Lowe, the company had refused the wage increase demanded by the workers on Monday.
Ford may have to pay R1 million in pensions

The mean of the

The value of \( \bar{F} \)

We can use Table

We merely multiply

Then the control

Ford workers also struck at the Cortina plant in Port Elizabeth in May over a dispute with the nearby Firestone plant. Hundreds of workers at Ford closed to withdraw their pension funds.

**GRACE PERIOD**

However, under the rules of Ford's pension fund, workers have a six-month period of grace to return to the fund without their loss of benefits. Ford's industrial relations officer, Mr Fred Ferreira, said it could cost the company about R1 million in pension payouts if workers chose not to reapply.

\[
\bar{F} = 0.16/2.326 = 0.0688
\]

\[
= \text{(7.3)}
\]

\[
= (0.16)
\]

\[
= (7.4)
\]

\[
\bar{F} = 0.01 - 0.58 (0.16)
\]

\[
= 1.92
\]

**TABLE 7.2 FACTORS GIVING UNBIASED ESTIMATE OF \( \sigma \) FROM \( \bar{F} \)**

<table>
<thead>
<tr>
<th>Number of observations in subgroup</th>
<th>Factor for estimating ( \sigma ) from ( \bar{F} ) (multiply ( \bar{F} ) by ( 1/d_2 ))</th>
<th>Number of observations in subgroup</th>
<th>Factor for estimating ( \sigma ) from ( \bar{F} ) (multiply ( \bar{F} ) by ( 1/d_2 ))</th>
</tr>
</thead>
<tbody>
<tr>
<td>( n )</td>
<td>( A_2 )</td>
<td>( n )</td>
<td>( A_2 )</td>
</tr>
<tr>
<td>2</td>
<td>1.580</td>
<td>22</td>
<td>0.467</td>
</tr>
<tr>
<td>3</td>
<td>1.023</td>
<td>23</td>
<td>0.462</td>
</tr>
<tr>
<td>4</td>
<td>0.577</td>
<td>23</td>
<td>0.157</td>
</tr>
<tr>
<td>5</td>
<td>0.493</td>
<td>25</td>
<td>0.523</td>
</tr>
<tr>
<td>6</td>
<td>0.419</td>
<td>30</td>
<td>0.185</td>
</tr>
<tr>
<td>7</td>
<td>0.337</td>
<td>35</td>
<td>4.213</td>
</tr>
<tr>
<td>8</td>
<td>0.327</td>
<td>40</td>
<td>4.415</td>
</tr>
<tr>
<td>9</td>
<td>0.308</td>
<td>50</td>
<td>4.252</td>
</tr>
<tr>
<td>10</td>
<td>0.339</td>
<td>60</td>
<td>4.198</td>
</tr>
<tr>
<td>11</td>
<td>0.358</td>
<td>70</td>
<td>4.459</td>
</tr>
<tr>
<td>12</td>
<td>0.313</td>
<td>80</td>
<td>4.690</td>
</tr>
<tr>
<td>13</td>
<td>0.339</td>
<td>85</td>
<td>4.755</td>
</tr>
<tr>
<td>14</td>
<td>0.347</td>
<td>90</td>
<td>4.806</td>
</tr>
<tr>
<td>15</td>
<td>0.332</td>
<td>100</td>
<td>4.851</td>
</tr>
<tr>
<td>16</td>
<td>0.358</td>
<td>85</td>
<td>4.806</td>
</tr>
<tr>
<td>17</td>
<td>0.367</td>
<td>90</td>
<td>4.939</td>
</tr>
<tr>
<td>18</td>
<td>0.369</td>
<td>95</td>
<td>4.978</td>
</tr>
<tr>
<td>19</td>
<td>0.373</td>
<td>100</td>
<td>5.013</td>
</tr>
<tr>
<td>20</td>
<td>0.373</td>
<td>100</td>
<td>5.013</td>
</tr>
<tr>
<td>21</td>
<td>0.373</td>
<td>100</td>
<td>5.013</td>
</tr>
</tbody>
</table>


The values of \( \bar{F} \), the UCL and the LCL are plotted in Figure 7.2.
R12-m fertilizer
plant contract

By John Spira

MICHIEL Cotts, in conjunction with an American group, has been awarded a R12-million contract.

The DM Weatherly Company, of Atlanta, engineers and builders of process plants serving the fertilizer industry, and Mitchell Cotts Projects SA, a company in the engineering division of the Mitchell Cotts group, are to build a granulation plant at Triomf Fertilizer's Richards Bay factory.

The plant is designed to produce 1000t per hour of high concentration NPK fertilizers, di-ammonium phosphate and mono-ammonium phosphate.

A feature of the plant is the detailed attention paid to pollution control—a necessary consideration imposed by strict US regulations and reinforced by local South African requirements.

Production will commence in December 1982.
Economy boost from United States

Representatives of 10 leading American companies will soon visit the Vaal Triangle black townships to study investment possibilities there.

Mr. Knox Matila, chairman of the Vaal Community Council, told a recent meeting of the council that companies were keen to make loans and investments in the Vaal Triangle.

Mr. Matila spent two weeks in America recently where he contacted several business companies. He told the meeting the 10 companies had agreed to study the investment possibilities after he had told them there was a cash flow of R180-million a year in the Vaal-triangle, and that industrial sites and electricity and water supplies were available. The population was politically stable, he said, and there was a great economic development potential.
Avery appeal to Americans

Spelling out Sullivan Code
New US threat against SA ties

By JOHN MATISSON

WASHINGTON. — Liberal Democratic congressmen have begun a fight for legislation to end new investment in South Africa, force American companies to comply with fair employment codes, ban loans to South Africa and to forbid the sale of Krugerrands in the United States.

Congressman Howard Wolpe, chairman of the congressional subcommittee on African affairs, told a hearing that he would invite American companies which are not complying with the Sullivan employment principles to testify — and if they failed to appear he would subpoena them.

African mining companies would top the list of proposed witnesses.

The Rev. Leon Sullivan, author of the American code of conduct for companies operating in South Africa, endorsed legislation to compel companies operating in South Africa to comply or face penalties of up to nearly $1 million.

Voluntary

The Southern Baptist preacher and member of General Motors' board of directors told Congressmen he had changed his mind about asking for voluntary compliance with the codes because American companies had responded too slowly.

Liberal Congressmen proposed that the new legislation should say they did not believe their bills would bring fundamental change in South Africa, but said it was necessary to demonstrate to black South Africans that America opposed apartheid.

Black South Africans meeting with American visitors have been suspicious of assurances that the United States opposes apartheid.

Congressman Stephen Solz, the former subcommittee chairman, testified that all shades of black political opinion, from the most radical to the most conservative, had privately endorsed mandatory implementation of the Sullivan Code if American businesses continued to operate in South Africa.

"None of these bills can make that much difference," Mr. Solz said. "Change in South Africa will come from South Africans, white and black, not in America.

Rhetoric

The purpose of this legislation is to demonstrate where we stand. Anyone who has traveled through South Africa knows how hollow our rhetoric is beginning to sound," he said.

Black South Africans have told Americans that diplomatic and economic cooperation had brought support as to whether America really found South African policies "abhorrent." As US officials claimed, he said.

The Congressmen are trying to win the support of Republican Congresswoman Millie Ferron, who has indicated she will support one of the bills.

Move for laws to ban loans

The new bills aim to "soil" the US embargo on South Africa, and prohibit American institutions from making loans to the South African Government.

The Bill has 22 sponsors, and Mr. Solz said he would be willing to amend it substantially to win its support.

Mr. Solz said that the Bill was a result of his conclusions from two years as chairman of the Africa subcommittee, about what Congress should do in Southern Africa.
The Sullivan Code is labelled a 'toothless package'.

The Sullivan Code of principles – non-discriminatory employment guidelines for American firms with investments in South Africa – had failed, according to a prominent local trade unionist, Mr Government Zini.

Addressing about 800 people at a football club banquet at the weekend, Mr Zini, who is organise of the Motor and Component Workers Union of South Africa, also criticized the Ford Motor Company for selling vehicles to the Government.

Mr Zini is himself an employee of Ford.

Describing US firms operating in South Africa as 'extensions of oppression', he said the Sullivan Code 'circled around' apartheid.

The code, in fact, said nothing at all about co-operation with the South African Government.

The Government and its agencies were among the major clients of those who adhered to the code.

The code was a 'toothless package' because it did not require firms to recognize black and white trade unions on an equal basis.

It simply encouraged signatories to support the elimination of discrimination against black unions.

"All that the code has served is to benefit the South African supporters of the apartheid system," Mr Zini said.
Sullivan steps up pressure on US

The Reverend Leon Sullivan is increasing pressure in the US to ensure that his code of fair employment principles is more effectively carried out in South Africa, John d’Oliveira of The Star Washington Bureau reports.

New drive for fair employment code in SA

The Star Bureau

The Reverend Leon Sullivan yesterday attacked an aggressive, three-pronged campaign aimed at forcing American corporations operating in South Africa to apply effectively the Sullivan Fair Employment Principles.

In a Press conference in Washington to release the fifth annual report on the application of the Principles in South Africa, Mr. Sullivan charged that the Principles had already made an acceptable impact on South Africa:

"But it was enough, was being achieved — and that was running as not for a peaceful solution to Africa’s problems."

That was why he had decided to launch an "aggressive programme" to bring American corporations out of those which either refused to apply fair employment principles or which applied those principles ineffectively.

In "Travels across America" during the summer he had enlisted the "active support" of more than 100 National chairman of "non-operating campaign"

Another 8,000 clubs who were being connected to join the campaign.

The Principles were being asked to urge their members to contact America to "change its way of thinking about South Africa," put pressure on the "non-operating corporation, conflicts corporate headquarters, business and government in South Africa," influence the racial discrimination and, it seemed, to demand that the African's protests.

He would be contacting "trade union" pension funds, religious and other organizations investing in corporate stocks to ask them to withdraw investments from "non-operating companies."

Sullivan considerable impact, but not being achieved.

Dispelling the racial myth

Whites working for American corporations in South Africa are now being supervised by blacks, a fact which will dispel the myth of white superiority, John d’Oliveira of The Star Washington Bureau reports.

"This year almost a quarter of the reporting units indicate that at least one white employee was supervised by a black employee."

"The number of supervising whites is much smaller than the number of racial discrimination."

"In addition, it is much to dispel the effect of the big majority of whites over in South Africa."

Unrelenting’ stance on apartheid

South Africa touches two of the deepest and most sensitive nerve points in our very being as Americans, our commitment to racial equality, and our commitment to human rights: America’s performance toward these commitments have none too far to go to return. Therefore Americans could not be nothing but critical of regimes denying medial equality or suppressing human rights.

CAUSE

In future, administrative the cause of human rights might enjoy more interest or less, but “never again, in my opinion, will the American nation in this, the arrogant, allow us to continue through the world to become mere tools.”

The president of the Carnegie Corporation, which has been involved in philanthropic work in South Africa for many years, said it was too early to say what the Reagan administration might do in the future. "But I am sure we will have the same interest in South Africa’s race problems, in the African’s policy in the international community."

Mr. Sullivan began the use of quick, Robert, President, of of it could, in effect, signify a change in America’s apartheid while seeking pragmatically on those with South Africa’s race relations.

By hoping to gain more from that battle than a hostile attitude, the administration could be making itself vulnerable to a reverse kind of change in many ways of the many Americans who in due course it has had to face some form of reversal by way of change in South Africa.

One of the unspoken, but nonetheless, among Americans, the violence in South Africa’s race relations and serious representations in the right of our own people, that the spirit of racial policies has done.

Mr. Sullivan tended to be involved in those who, with "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and admiration" of those who have "sympathy and adm
Unions appeal for foreign aid over disputes

TWO local black unions have sought the help of powerful overseas labour organizations in an attempt to resolve disputes arising out of recent strikes on the Witwatersrand.

The Building, Construction and Allied Workers’ Union has appealed to the British Trade Union Council to approach the British parent company of Johnson Tiles at Ohlantisfontein, where workers were fired after a recent strike.

A union spokesman said this week the TUC had secured an agreement from Johnson Tiles’ parent company that workers would be reinstated and that the firm will meet the union.

However, he claimed local management wanted to re-employ selected workers only— which the British unions “totally rejected”. He also claimed the firm had told fired contract workers to vacate their hostel in Tembisa township by Monday afternoon.

Company spokesmen could not be reached for comment.

Meanwhile, the National and Allied Workers’ Union has asked the International Metalworkers’ Federation to intervene in its dispute with Telephones Manufacturers of SA (TMASA) in Springs.

TMASA is a subsidiary of General Electric Company and the union has asked the NUM to approach GEC in an attempt to bring the local management to the bargaining table.

The union wants to meet the company to discuss the re-employment of workers fired after the entire black work-force of 1600 went on strike recently.

Up to now, TMASA has refused to meet the union.

Nine people appeared in the Kwa-Thema Magistrate’s Court on Monday on charges of assault following the unrest. They were released on bail, paid by the union, and the case was postponed to next Monday.

A spokesman for TMASA said yesterday almost 1000 of the 1600 dismissed workers had been re-employed, and about 100 new workers had been taken on.
Bigger and better at Berkshire

International in East London.

A general view of one of the production halls at Berkshire.
Workers claim assault by police

A NUMBER of workers have claimed they were assaulted by riot police when about 1 000 workers at the Telephone Manufacturers of South Africa in Springs went on strike in solidarity with three of their colleagues who were fired.

The strike started on Thursday at about 5 pm after the three workers had allegedly been fired for playing cards, although workers claim the three had already knocked off.

On Friday morning, all the other workers were allowed into the company premises, but those who worked in departments 26 and 27 were locked out. The others who were allowed in also refused to work and gathered outside and began singing freedom songs and shouting "Amandla". Riot police were called in and people started scattering and later converged again.

Mr Nhlanhla Phakathi, said he had asked to talk to management but was instead taken into an office by the riot police who allegedly assaulted him.
Sullivan steps up campaign

[Image of man with medal]

Washington — The Reverend Joan Sullivan has announced an
empowerment project in South Africa to help people in need
and to promote the values of non-violence and peace.

[Image of man and woman looking at each other]

The project aims to provide education and training to
youth in the community, focusing on skills development
and conflict resolution.

[Image of group of people]
HOW THE CODE HAS HELPED

WASHINGTON: The Sullivan Fair Employment Principles remain an important force for social change in South Africa.

This point was made in the fifth report on the progress being made with the application of the so-called Sullivan Principles by United States corporations operating in South Africa.

Prepared by the Arthur D. Little company, of Cambridge, Massachusetts, the report was released at a press conference this week by the Reverend Leon Sullivan.

It showed that 144 of the more than 300 United States corporations in South Africa had agreed to apply the Sullivan Principles.

Of these, 34 companies were "making good progress"; 22 were "making progress"; 47 needed to "become more active" and 20 failed to report. The rest were companies which endorsed the principles but which had less than 10 employees in their South African operations.

This was less favorable than the positions reflected in the third (1978) and fourth (1980) reports which showed, only 10 and 28 companies respectively receiving the failing grade of "needing to become more active."

However, the Arthur D. Little company reported that the standards for evaluating companies became more stringent and more extensive every year.

Improvements since the initiation of the Sullivan Principles four and a half years ago included:

- 65 percent of the reporting units showed that all their facilities were desegregated.
- 99 percent of all reporting units claimed common medical, pension and insurance plans for all races.
- Nearly all signatories provided equal pay for equal work, with black employees receiving higher average pay increases each reporting period.
- An increasing proportion of the participants in training programmes for sales jobs was now made up of black, coloured and Asian employees.
- The proportion of blacks, coloureds and Indians in supervisory positions had increased from 27 percent to 36 percent since the third report was issued. However, the number of blacks, coloureds and Asians in managerial positions remained at three percent.
- Contributions to what the report referred to as "community development" — housing, health projects, recreational facilities etc. — increased sharply from R2.8 million to almost R5 million between the fourth and fifth reports.
- The amount of money contributed by signatories to help educate South Africa's black, coloured and Asian people (excluding education programmes for employees) increased from R3.5 million to R4.5 million between the fourth and fifth reports.

The Arthur D. Little Company reported there was an increase during the year of companies which failed to maintain a "sufficiently high rate of improvement" to keep up with the rising standards of the Sullivan Principles.
UNIONS APPEAL TO OVERSEAS LABOUR BODIES

OWN CORRESPONDENT

JOHANNESBURG.—Two local black unions have sought the help of powerful overseas labour organizations in an attempt to resolve disputes arising out of recent strikes in the Rand.

The Building, Construction and Allied Workers' Union has appealed to the British Trade Union Council to approach the British parent company of Johnson Tiles at Olifantsfontein, where workers were fired after a recent strike.

A union spokesman said the TUC had secured an agreement from the parent company that workers would be reinstated and that the firm should meet with the union.

However, he claimed local management wanted to re-employ selected workers only—which the British unions "totally rejected". He also claimed the firm had told fired contract workers to vacate their hostel in Tembisa township.

It was not known whether the workers were actually evicted but the union was seeking an urgent meeting with management, he added.

Company spokesmen could not be reached for comment.

Meanwhile, the Metal and Allied Workers' Union has called on the International Metalworkers' Federation to intervene in its dispute with the Telephone Manufacturers of SA (TMSA) in Springs.

TMSA is a subsidiary of the General Electric Company and the Fosatu-affiliated union has asked the IMF to approach GEC in an attempt to bring the local management to the bargaining table.

The union wants to meet with the company to discuss reinstatement of workers fired after the whole black workforce of 1,600 went on strike recently.

Up to now, TMSA has refused to meet with the union.

Nine people appeared in the Kya Sands Magistrates Court last Monday on charges of assault following the unrest. They were released on bail, paid by the union, and the case was postponed.

A police spokesman said another two people had been arrested in connection with alleged cases of assault and another arrest would be made.

A union spokesman condemned the involvement of the police in the dispute.

He added: "It seems TMSA management is using the police to weaken the resolve of the workers."

He said the company was still refusing to talk to union officials, which was "damaging to worker-management relations".

A spokesman for TMSA said almost 1,000 of the 1,600 dismissed workers had been re-employed, and about 100 new workers had been taken on.

He reiterated that the firm would not take back 200 workers who were fired first after starting the strike.
A MAJOR American publishing company which recently placed employment advertisements for 'Europeans only' staff, has drawn sharp criticism from leading South Africans.

Lexington Andrews, a subsidiary of the giant Macmillan Publishers, advertised in two Cape Town newspapers for sales representatives, saying it was 'open only to Europeans'.

When a black reporter attempted to be interviewed at second Argus ad which did not stipulate race, a company spokesman arranged an interview.

GOOD ENGLISH

When told the reporter was a black, the spokesman replied: 'But you speak such good English?'

The Argus has been accused of recruiting only Afrikaans speakers for Lexinton Andrews whose published catalogue is entirely in English.

Mr Martin Brand, the company's newly opened Cape Town office manager, said they were expanding their sales division and would be working mainly with black people and that's why we have to have whites only. He said.

Dr Alex Boraine, the PEP spokesman on education, said the law was a 'weak and hollow explanation. It is the same old story of Cape Town have black coloured and white assistants who can't sell to the total market. Our economy should be colour blind and the companies who are not on their backs.' It will be 

Mr Hume explained that they were trying to build up a 'new operation' in Cape Town,

- 'We have filled the key positions in our organization, our ad will be normal and anyone with the requirements, irrespective of race, will be employed,' he said.

The company's present need was to train field and sales managers who would be responsible for teenage salesmen.

As far as the responsibility goes we would prefer to have whites only. There's no racial discrimination, just a matter of logistics,' he said.

(Continued from Page 1)

Committee of 10, condemned the company's action 'in the strongest possible terms.'

'It also displays an incredible lack of foresight because there is a growing market among black people in South Africa,' he said.

He had recently discussed with the Rev Leon Sullivan the possibility of getting the US Congress to legislate in the Sullivan principles of fair employment.

'It will compel these companies to subscribe to these principles, mild as they are,' said Dr Motlana.

When asked to comment on the issue, Lexinton Andrews's spokesman for international operations in New York, Mr Reginald Quinn, said it was 'company practice to have separate recruitment race groups.'

However, internal operations were the function under local law. Nothing was laid that barred their Town office from such an ad. He referred.

The Argus to Mr Hume at their Johannesburg head office.

Mr Hume explained that they...
There's progress, but more's needed

THE Rev Leon Sullivan is to 'pressurise' American companies operating in South Africa into applying effectively the Sullivan fair employment principles.

He conceded that the principles had already made considerable impact on South Africa, but 'not enough' was being achieved — and time was running out for a nonviolent solution to South Africa's problems.

This was why he had decided to launch an 'aggressive programme' which, so far, entailed 'moral persuasion' against 'unco-operative companies' by 1,000 churches — and with another 4,000 churches to follow.

In addition, he would be contacting trade union pension funds, colleges and other organisations investing in corporate stocks to ask them to withdraw their investments from 'unco-operative companies'.

He has already requested legislation from the United States Congress for mandatory sanctions, tax penalties, loss of government contracts and government licences to be applied to corporations who did not apply the fair employment principles as fully as they should.

Mr Sullivan made it clear that he was advocating withdrawal of investments in American corporations operating in South Africa as a means towards the end of fair employment — not as part of a total withdrawal from South Africa.

He stressed that he believed the 'Sullivan principles' were working. What he now sought was their wider and more effective application.

'More than 144 companies have signed the principles are working — they are changing practices, customs and even certain laws in South Africa and I think they have become an important force for social change in South Africa.'
EAST LONDON — Mr Richard Cook, managing director of the strike-hit firm Johnson and Johnson, yesterday turned down a call by the workers' committee at the factory to involve himself in negotiations.

About 650 workers, who continued the strike yesterday over the demand that management reinstate a cleaner who was fired for allegedly stealing toilet rolls, held a mass meeting in the morning.

They demanded that Mr Cook meet with the top official of Saawu, the national president, Mr Thosamile Gweta, who is at present in Durban. They said there was no way discussions on the deadlocked issue could proceed unless top management became involved.

The workers resolved that if this meeting did not materialise they would contact the head office of the company in the US and inform management there of the situation at the plant.

They also resolved that if Johnson and Johnson management "remained intransigent" the company should start preparing holiday pay and bonuses and shut down the factory until next year.

Mr Cook said Saawu was already negotiating with a team that represented the views of the board of directors and the board was personally represented by the personnel director, Mr Wayne Munro.

He said: "Based on what has been reviewed by the parties concerned to date I see no reason to change the negotiating pattern."

"The union should understand that the recognition agreement provides adequate channels for the resolution of disputes and these are open today provided employees return to work."

Officials of the union have criticised the company for sticking to technicalities in the recognition agreement and avoiding the main issue. They said management did not appear to realise the depth of sympathy for the dismissed cleaner felt by the workers who would not abandon her by returning to work before she was reinstated.

The company has said that in terms of long-term policy theft, no matter how petty, is an offence punishable by immediate dismissal. — DDR
Townships may get US loans

SEVERAL American companies have agreed in principle to make loans on investments towards the development of the Vaal Triangle townships.

This was disclosed to The SOWETAN by Mr Jesia "Knox" Matjila, chairman of the Vaal Community Council during an interview in Sebokeng.

Mr Matjila, who recently returned home after a tour of the United States, said his council needed R100-million to develop the Vaal into a metropolitan area.

During his tour he met and discussed with directors of several companies, trade unionists, members of chambers of commerce and several others who showed "a keen interest in the Vaal complex".

"These groups have shown interest in my area and will come to South Africa to make a feasibility study of proposed projects," he said.
College will keep funds in SA

NEW YORK — Students at Middlebury College, in Vermont, have voted to protest the college’s $12 million investment in South Africa. In a move to keep the college’s endowment in line with shareholders’ wishes, the students voted to divest from South Africa.

The Middlebury fund was initially invested in South Africa, but students say it is the responsibility of Middlebury to ensure that it is not invested in apartheid. Middlebury is one of a number of schools that have refused to invest in companies that do business with South Africa.

The college, in fact, has 32 investments in South Africa, including a venture capital fund that manages $25 million. Students have now asked Middlebury to rid itself of its holdings in the fund.

"We’re not going to divest from the fund in South Africa," said the president of Middlebury College. "We are committed to maintaining a strong relationship with South Africa. However, we can’t support investments that prosper from the current political situation in the country."

Students are concerned that the college is not fulfilling its responsibility to its shareholders. "We can’t afford to lose South Africa as a target market," said a student activist. "If we divest from South Africa, we will lose a potentially lucrative market, and it will harm the college’s bottom line."

The vote to divest from South Africa was originally passed by the student senate, but the final decision rests with the college’s board of trustees. The board of trustees has yet to make a decision on the matter.

The students have also proposed an alternative plan to the college. They suggest that Middlebury invest in companies that do business in South Africa, but that are committed to ending apartheid. The students have asked the board of trustees to consider their proposal, but have not yet received a response.

The college has maintained that it is committed to maintaining a strong relationship with South Africa, but students say they are not satisfied with the college’s current investments. "We want the college to be more transparent about its investments," said one student activist. "We want to know what the college is really investing in, and we want it to be aligned with our values."
Joint US-Sasol gas plant in use by 1983

Own Correspondent

The commercial-scale fine-coal gasification plant being put up at Secunda as a joint venture by the US-based Westinghouse Electric Corporation and Sasol should be in operation by 1983, Sasol said in a statement.

Sasol, as world leader in oil-from-coal technology, was an obvious choice for a partnership which promises to benefit both parties. Westinghouse can try out its system much faster than would otherwise be possible and Sasol hopes to find a use for excess fine-coal from its Bosseespruit mine and elsewhere.

Opportunity

Mr. William H Peace, general manager of the Westinghouse synthetic fuels division, described the agreement with Sasol as a "rare opportunity of demonstrating Westinghouse's technology on a commercial scale much sooner than it could otherwise have done." As a result of this project, we will be able to make this clean and efficient gasification technology available as a practical commercial product in the United States and elsewhere much earlier than anyone had hoped.

"We believe it can reduce significantly the costs of producing synthetic fuels from coal."

Successful

Speaking for Sasol, Dr. A H Stander, senior general manager and joint managing director of Sasol 2, said his company looked forward to the successful commercialisation and demonstration of the Westinghouse process.

Sasol's main purpose in co-operating with Westinghouse was to help to establish a system capable of handling the fine coal produced in many South African mines—a system which could ensure optimum use being made of coal resources.

Mr. John D Holmgren, technology and operations manager for the synthetic fuels division, said the Westinghouse technology had been under development since 1970 and had received financial assistance from the US Government, the Gas Research Institute and other organisations.

"Its competitive advantages include the ability to use many types of coal, plus high system efficiency and low water use."

The gasifier has undergone more than 7 000 hours of operation at a 35-ton-a-day pilot plant in Pennsylvania, meeting all Government environmental standards for air and water purity.

The Westinghouse plant at Secunda will gasify 1 200 tons of coal a day, with Sasol getting the benefit of the gas produced and licensing rights for third parties, in which it will get a half share.
FOREIGN INVESTMENT
Perking up

Warming relations between SA and several of its major overseas trading partners are leading to a surge of foreign investment in the country. And the homeland states could reap some of the capital from overseas.

Mike du Toit, international marketing manager of the Corporation for Economic Development (CED), says he has received three applications from Taiwanese industrialists and one from a US company wanting to establish plants at Isithebe in KwaZulu. Total investment will be in the region of R16m — about half of which will come from outside SA.

Du Toit says the Taiwanese concerns include a company specialising in the manufacture of acrylic yarns, a manufacturer of cattle feed from sugar cane tops — all of which will be exported back to Japan — and a knitwear factory.

But investment from the US could be even bigger. On the cards is an R8.5m cotton spinning mill which would export its entire production of spun cotton back to the US.

Du Toit says the four applications have been processed through the Decentralisation Board and the CED is currently examining the viability of the scheme against local and overseas markets.

He says the steady improvement in enquiries from foreign investors can be directly attributed to SA’s strengthening of trade ties with Taiwan, a more favourable bearing towards SA from the Reagan administration and uncertainty among French industrialists as a result of the new Socialist government’s nationalisation policies.

“It is not easy to get foreign investors interested in SA, but there has been a distinct change in the international mood in recent months. I think the PM’s visit to Taiwan and subsequent trade delegations to that country have played a very significant role in attracting investment from that quarter,” says Du Toit.

He claims there are now 35 international or joint venture companies operating in the national states. Foreign investors enjoy the same incentives from the CED as local industrialists, but they are subject to exchange control regulations where they are heavily export orientated. “We have to look at them a bit more carefully in case the export market collapses,” says Du Toit. The CED entitles wholly-owned international subsidiaries to borrow up to 50% of their equity in the form of loan capital. Interest rates are an effective 6.2% fixed for 10 years — much better than the open market rate of around 14%.

Du Toit adds that tight local money supply and high interest rates are even changing the attitude of local industrialists — fairly jaundiced until now — towards decentralisation. He says the CED is also experiencing increased enquiries from the home front. “It’s always the same,” he says. “The moment money gets tight, they come to us. When things get better again, they invariably get their money from other sources.”
"On Thursday," the union spokesman said, "yet another message was found on the machine." This time the menacing note, again signed ASWSA, read: "Dusty, do not forget our promise. Black dog will meet you soon. We shall watch you from tomorrow morning. Because you don't do what you're told."

"Mr. Nwane then wrote to Colgate's managing director, Mr. W. K. B., about the threats," the spokesman said.

After consultations between management and the shop stewards' committee, Mr. Nwane informed the police of the threats.

A police spokesman confirmed they were investigating the threats.

Mr. Nwane was unwilling to talk to the Tribune, but the union spokesman said: "We are not scared by threats.

And in Pretoria General Cockroft said: "Action Sava White South Africa is not militant and does nothing illegal. We are a co-ordinating committee for conservative white political organisations, parties and individuals. We are concerned Christians."

"If I find any of our members have been involved in anything like this, I'll have his head - or lose the organization myself."

The organisation's founding committee is made up of delegates from most of the right-wing parties in South Africa, including the Hereditary Nationalist Party, the Afrikaner Weerstandsbeweging, and even the National Party itself, of which General Cockroft is a card carrying member.

Kaffir dog resign or we will kill you!

CHILLING THREAT TO REEF TRADE UNIONIST

By DAVID NIDDRIE

A sinister racist group has threatened to murder a top Reef trade unionist unless he resigns his job. It delivered its first chilling message three weeks ago - screwed across the back of unionist Dushi Nwanie's clock in card of the Colgate-Palmolive factory in Botshabelo where he is employed.

The messages - punctuated with racist slogans - were signed "ASWSA", in apparent reference to "Action Sava White South Africa", a Pretoria-based right-wing coalition.

ASWSA's founder, former defence force sergeant general, Lieutenant General, C. Cockroft, has angrily denied any link to the death threats and 'I'll show out anyone from our organisation if they have'

At vice president of the Chemical Industral Workers' Union (CIWU), union branch chairman at Colgate and Colgate's shop stewards' committee chairmen, Mr. Nwane first entered the spotlight in 1976 with the launching of a nationwide boycott of all Colgate products in support of Colgate workers.

The boycott was called off after three weeks - on the eve of a planned strike by black Colgate workers - when Colgate management agreed to negotiate wages and working conditions directly with the union under a recommendation agreement.

On the night of Monday, November 16, when Mr. Nwane was clocking in to the toilet articles department at Colgate, he found screwed across the back of his clock card the words: "Kaffir dog. The message was unsigned.

He reported the matter to his superior, but the next day workers entered the department to find two messages daubed on the walls. One read: "Dushi is a kaffir dog."

On the third day, a CIWU spokesman told the Tribune, Mr. Nwane was about to clock in when he found a note stapled to his card and signed ASWSA for the first time.

"Dushi, black bastard kaffir dog. You must resign before Friday or else we will kill you," the note said.

On day four — the day before the death threat deadline — a day shift worker entered the factory to find a message placed on a machine in the toilet articles department: "Dushi, you black dog, remember our promise about Friday. You're time is up."

It was signed ASWSA.
US to spend R8-m on education of blacks in SA

WASHINGTON -- Dr Chester Crocker, Assistant Secretary of State for Africa, today confirmed a major United States commitment to the education of blacks -- as a vital element of a campaign to encourage peaceful evolutionary change in South Africa.

"At a closed conference on the education of the 'disadvantaged,'" he conceded, "significant change had taken place in South Africa.

"But the choice between violent revolution and peaceful change was becoming ever more clearly drawn."

"The choice is not between the classroom and the battlefield."

"Education is therefore central to peaceful evolutionary change."

"In that sense the classroom suggests itself as one very important key to our policy towards South Africa.

The conference is part of an attempt to co-ordinate the education programmes that will be adopted by the US Administration with those which might come from the private sector.

Congress last week passed legislation for a scholarship programme for black, coloured and Indian South Africans costing R8-million over the next two years.

More money could be made available for other programmes.

Dr Crocker made it clear that the administration had not yet decided on the details of its programme to assist blacks in South Africa.

He explained that US policy was aimed at developing a package of education initiatives.

In developing a programme the US would not attempt to be interventionist. It would not attempt to play the role that was properly that of the South African Government and it would formulate its approach in consultation with South Africans of all groups, particularly blacks.

While the South African Government had committed to a separate education system for the different races, it was trying to reduce the inherent inequality of these systems.

"Even with this change in policy, the extent of that inequality is of such magnitude as to call into question the South African Government's ability to redress the imbalance."
SA 'less an issue' for US shareholders

WASHINGTON — South Africa and the Nationalist Government's race policies is gradually becoming a less active issue at major United States companies' shareholder meetings.

This is confirmed by the most recent report from the Investor Responsibility Research Centre, an independent, non-profit Washington organisation which studies the impact of social and public policy issues on major corporations and institutional investors.

Reviewing annual general meetings during 1981, the IRRC said South Africa continued to slip as the most active shareholder issue.

"Colleges and universities refrained from sponsoring South Africa resolutions for the first time in years, returning almost all the activity in that area to Church proponents. The range of South Africa resolutions was also a little narrower than it had been in 1980." Nevertheless, South Africa remained a prominent issue, especially for institutional investors.

A noticeable change between 1980 and 1981 was the disappearance of proposals asking companies to adopt the Sullivan Code of fair-employment principles. Most of these resolutions had been sponsored by colleges and universities.

A total of 26 resolutions were submitted on South Africa. Four were withdrawn, 22 were voted on (receiving an average support level of 5.2 percent of the votes cast) and only 12 received enough votes to warrant consideration again next year.

The greatest number of resolutions during 1981 centered on nuclear power and related issues: 14 resolutions voted on, with 20 winning enough support to survive until 1982.

The resolutions were "the somewhat standard South African proposals":

- Bankamerica was asked to report on loans to South Africa; Citicorp and Continental Illinois were asked to form review committees on loans to South Africa; Crocker National, Merrill Lynch and Wells Fargo were asked not to make loans to South Africa until the South African Government took significant steps toward majority rule.

- Borg-Warner, Eaton and International Harvester were asked to refrain from further investment in South Africa until the Government adopted democratic policies; Aeroflex was asked not to expand and not to sell to the South African Police, the military as long as apartheid remains.

- Hewlett-Packard and IBM were asked to stop selling computers to the South African Government; Mobil Oil was asked to stop selling products to the South African Police or military and the Southern Company was asked to stop buying coal from South Africa.

- Flour and Control. Data were asked to withdraw from South Africa, while United States Steel and Dresser-Industries were asked to sell their subsidiaries in South Africa if those subsidiaries had not complied with all the Sullivan principles by 1982.

- Republic New York (the largest seller of Krugerrands in the US) was asked to end sales while Doyle-Dan Bernbach, an advertising agency, was asked to stop promoting the coin.

- Engelhard Minerals and Chemicals was asked to report on its activities in South Africa.

- Superior Oil was asked not to participate in new ventures in SWA/Namibia for as long as that country was "occupied" by South Africa.

The Superior Oil Company resolution was sponsored by two church groups (which owned a total of 6 million shares) and received the most shareholder support of any of the South African resolutions: 12.8 percent. This meant it could be proposed again in 1982.

Among the institutions voting for the resolution: Carnegie Foundation for the Advancement of Teaching, Harvard University, John Hopkins University, Pomona College, Stanford University, six other universities and colleges, one bank and one insurance company.
FOREIGN FIRMS IN S.A.

UNITED STATES

1982
Henry Ford II to visit PE plant

Ford's director of public affairs, Mr Dunbar Bucknall, said Mr Ford would arrive in Port Elizabeth on Tuesday, "on a farewell trip to recognise the end of Mr Ford's executive relationship with the company's South African affiliate and the Ford dealer organisation."

Similar trips had already been undertaken in Europe and Latin America, and further trips were planned.

Mr Ford would visit Ford facilities and bid farewell to the company's employees, Mr Bucknall said.

FORD motor company today confirmed a visit to the Port Elizabeth branch next week by Henry Ford II, the grandson of the company's founder and himself a former president of the giant firm.

Mr Ford last visited South Africa in 1978 and met, among others, the then Prime Minister, Mr John Vorster. He was then at the helm of the firm's affairs.

Now he is a member of the firm's board of directors and chairman of the finance committee.
'Sullivan code is a toothless package'

THE SULLIVAN CODE is a "toothless" package that can be applied by United States companies operating in South Africa with ease, and is just a piece-meal reform that allows this cruel system of apartheid to survive.

This view emerges from a document by the Motor Assemblies and Component Workers Union of SA to the US company — Ford Motor Company SA.

Macwusa, one of the unions which organises black workers at Ford was requested by the company to comment on the firm's employment of the code.

According to the union the request is a sequel to its evaluation by an independent observer in the US, Mr Arthur Little, who had reported that Ford was "making good progress."

In its report the union says that the codes do not demand apartheid to be abolished, but merely to "modernise" and ensure its perpetuation.

"It does not cite the abolishing of the pass laws; does not make any demand for black political rights; does not require companies to recognise black and white trade unions on an equal basis, furthermore, regardless of registration."

The document says the code does not demand that Blacks must have the right to own land and conduct business throughout their country of birth — South Africa.

As regards non-segregation of the races, the union says that the removal of discriminatory racial sign posts is "extremely treacherous" and paints a decided false picture of the actual situation at the company's plants.

Nearly 75 percent of the black workers are employed in job categories where there is hardly a white worker. Consequently, this practice is of no significance at all to the needs of the black workers. In effect, the system of discrimination on the basis of race is being perpetuated in its entirety.

Regarding equal and fair employment practices for all employees, the document says for a Black to qualify for a supervisory position he must be in possession of an academic JC or under training whereas whites — who can hardly write nor speak English — are filling supervisory and even senior appointments.

"Ford does not recognise black and white trade unions on an equal footing. Because of this practice, therefore, one may safely say that a white dropout has greater job opportunities than a black university graduate at Ford."

"Eighty-four percent of the workers in the lowest job category are black and the rest white. 98.5 percent of the employed in the top job category are white and black constitute only 1.5 percent."

"Since the black worker does not occupy a supervisory position equal to that of the white, the "equal pay for equal work" statement is simply lip service and an empty slogan."

"All white hourly workers are concentrated in the two highest pay grades and black hourly paid workers within the lowest grades of pay," the report says.

Referring to the initiation of and development of training programmes for blacks, the document says that a modern educational centre exists at Ford, but 99 percent of the black workers are misinformed and that, of course, "is the costly price of apartheid". The act is designed to destroy the zeal to seek educational excellence.

"Over the past five years the company has only undertaken to report on the number of black and white employees trained but failed to reveal the discriminatory amounts of money spent in training them."

"The majority of black workers returning from "training still languishes in the lowest category of skilled work."

The document says that the appointment of blacks into "managerial" positions by the company was sheer "mockery" since the company abided by the laws that prohibited black supervision over white; and at such these "black managers" have no decision-making power in the company.

The supervisory appointment was concentrated to foremanship. The whole exercise was simply tokenism.

Housing was a major crisis among blacks and yet the company has dismally failed to address itself appropriately to this aspect.

The company has made large sums of money available to the East Cape Administration Board to improve the then "Empangeni", Kwa-Ford Village and by so doing exposed the black community to frustration and exploitation of alarmingly high rents that ranged from R72 to approximately R80 per month.

"The company aggrandized the squatter problem because these residents were visited by the administration board and dumped in the ghettos at the back of the black townships where they were forced to stay in squalid conditions."

The new "Fordville" with limited houses selling at some R45 000 each was "a window dressing" scheme that was aimed at the higher bracket income group.

The company neglected the majority of hourly paid workers who were in desperate need as most lived in overcrowded four-roomed "match-box style" houses or shantys in Somers (PE).

Blacks hardly enjoyed the benefits of the Affirmative Action Budget (Nation's Money) whereas records reveal that substantial sums of money are directed towards apartheid organisations and "pro-government" sport bodies.

The company's employee relations manager, Mr D Pieterse, was not available for comment.
GM to work short-time tomorrow and Monday

Leo Williams, managing director, said at the press conference today that the company had reduced its working hours for tomorrow and Monday due to material and parts shortages.

A spokesman said there would be 1,100 workers on the production line today. He said the majority of the assembly lines would be operating on one shift and two production changes.

Other workers, following the lead of the labor union, will not be involved.

Asked whether the short-time was temporary, he said the situation would be reviewed on a daily basis.

Sporadic, however, the managements and the number of employees affected by the changes in the assembly line. They have been informed in advance. Staff at the plant.

For workers for the short-time period, there was no change in work and wages, one of the two major terms. The workers at the plant were committed to work for an extended end of week. An unforeseen situation could not be envisaged.
Macwusa quizzed by Ford man

THE Director of Industrial Relations at the Ford Motor Company, Mr Fred Ferreira, confirmed today that officials of the Motor Assemblers' and Component Workers' Union had been asked about rumours of a demonstration by workers — allegedly being planned to coincide with the visit of Mr Henry Ford II.

Maewusa's organising secretary, Mr Government Zini, said yesterday he was approached by a Ford labour relations officer who asked about a demonstration.

The grandson of the company's founder and a former president, Mr Ford, arrived by chartered jet in Port Elizabeth this week.

He is on a farewell trip to recognize the end of his executive relationship with the company's South African affiliate and the Ford dealer organization.

Commenting on the incident, Mr Zini said: "Macwusa is disciplined and does not engage in sporadic actions."

Mr Ferreira said a staff member of Ford's industrial relations department had approached two Macwusa officials "to explore whether any demonstrations were being planned and to counsel against them."
Unions object to SA imports

The Star Bureau

LONDON — Ford of Britain’s decision to import the one-ton Cortina pick-up from South Africa has run into union problems.

The 14 unions representing 54,000 Ford workers will today spell out their objections to this move at their regular meeting with the company management.

Mr. Ron Todd, chairman of the union side of Ford’s national joint negotiating committee, indicated that the mood was grim.

Mr. Todd, who is national organizer of the Transport and General Workers’ Union, which has 34,000 men in Ford, said the unions would be looking closely at two aspects of the company’s decision.

The first was whether Ford had the capacity in Britain to make the one-tenners. Second there was the anti-apartheid commit-
The Pace will be set

By NKOPANE
MAKOBANE
PACE Commercial College, a unique school for blacks in South Africa, is expected to attend the occasion.

The Project for Advancement of Commercial Education, situated in Jabulani, Soweto, is the envy of many who wish to acquire the high-
est quality in education. The school which cost several millions to build, started to take its Form I pupils on July 6 last year and this year Form II classes have been introduced. The enrolment is 330 and 350 and by 1985 the school expects to have 600 students when the matric class will be introduced.

Financed by the American Chamber of Commerce with 350 companies in South Africa, as well as some South African businesses, the school is a private institution and has a board with at least 50 percent black management.

The fees are R1 400 a year but bursaries of up to R1 000 are available for students whose parents cannot meet the amount commented on the school's progress and plans for the future. Mr Oswald Mishali, deputy headmaster, said yesterday they were pleased that students did well in their last year's examinations.

What saddened him was that some people have expressed disquiet about the school and labelled it "elite". The school accepts students from all walks of life on merit, and not because one is from a rich or well-known family.
Soweto's newest school up to world standard

By Andrew Torchia in Johannesburg

A SHINY, new American-financed high school stands in the tumbledown landscape of Soweto, the black township to the south-west of Johannesburg.

The building, with carpets, electric typewriters, computerised teaching systems and tennis courts, would reflect credit on the wealthy, suburban school districts anywhere in the world. It is unique in black South Africa.

The school rests on a commitment to superior education for blacks, to training of blacks for leadership and to preservation of a racially integrated teaching staff.

"American companies operating in South Africa have spent several million rand, enabled help from South African businesses and installed 205 boys and girls in Pace Commercial College," said Dr. Thabane Mofari, the principal.

"Boingani Mokunke, 14, who lives with his four brothers in a four-room house, recalled his first look at the glass-walled, two-storey building: "I thought it was a hotel, not a school.

At State schools in Soweto, classes of 50 are common and pupils without desks write on floors.

"Some teachers who left after the 1979 school riots of have not been replaced and fewer than 60% of Soweto students passed final high school exams last year.

Getting South African Government approval for Pace took nearly a year, and it was tough at first," said Mr. Clark Else, executive director of the American Chamber of Commerce in South Africa.

"If South Africa wants to move into an Indian reservation and build a school, how will we (Americans) react?"

"The economic boom of the 1970s, shortages of white skilled workers led South African businesses to press for improvements in black training.

At the same time, American interest grew in supporting black education as a stimulus to social change.

Congress authorised $1 million dollars (R1.5m) in 1981 for educational projects benefiting black South Africans.

Two visiting US Agency for International Development officials conferred with South African educators in December, apparently on ways to spend the money.

American foundations and corporations have financed a scholarship programme since 1979 which has helped these non-white South Africans, mostly blacks, for study at American universities.

Dr. Mogothi Mokunle, 35, with a doctorate in social ethics from Boston University, manages the Educational Opportunities Council Programme in South Africa.

"Change is bound to come and when it does, we want to have the necessary skills for running the country," Dr. Mokunle said.

In response to the pressure, the South African Government declared last year it was planning to eliminate salary differences between black and white teachers and to take other steps towards equal - but still separate - schooling for the races.

"Pace Commercial College admitted its first classes in July and the R6.6 million school expects to have 600 students by 1985.

Courses include accounting, typing and other skills to prepare blacks for business jobs that, until recently, were reserved for the races.

Five tribal languages, English and Afrikaans are taught.

"We are aiming at middle management positions," said the headmaster, Mr. Rex Pennington, who retired as rector of Michaelhouse.

"But I am educating these children not only to earn their living but for life.

"Those who graduate from here will become community leaders.

They will set high levels of expectation for their children.

The move is upwards.

"I was concerned that so much money was going into one school, but I changed my mind," Mr. Pennington said in an interview.

"The impact of being given the best has opened visions of a future that pupils had not seen before.

Students are chosen competitively.

The parents of 12 are paying the full annual fee of R1 400.

Others receive scholarships up to R1 000 except for four whose parents are considered too poor to make any contribution.

"One of these four is a boy who packed coal every afternoon to keep his mother alive.

"He's our soccer captain," Mr. Pennington said.

"Another is a girl whose mother earns R5 a month as a maid.

"The school was almost a shock to some children," Mr. Pennington said.

"Lots of them have no running water at home and we had problems in getting them to turn off the taps.

"Mr. Else said about 150 US companies contributed to the school - about half the American companies operating in South Africa.

He said the American Chamber of Commerce had kept the school under private management - a board with at least 50% black membership - to keep the projects seen as Government-controlled.

"We made a pact with the blacks," he said.

"We will close the school if the Government tries to hijack it," he said.
BUSINESSMAN WARNS GOVT. ON NAMIBIA

THE NAMIBIAN problem was a priority number one in this region if America and South Africa were to keep peaceful bilateral relations, business, educational and community leaders were told yesterday.

Dr. Michael Samuels, vice-president international of the United States Chamber of Commerce, warned that if the South African Government did not act seriously to this end, then the Reagan Administration will have reason to consider its policies a failure and relations will definitely sour.

He was addressing a multi-racial crowd of more than 600 at the official opening of Pace Commercial College in Jabulani, Soweto.

The visiting doctor was also quick to point out that solving the Namibian question would not end American concerns as South Africa's domestic reforms and development were expected and be watched closely.

Attacking apartheid, Dr. Samuels said the system had been described by President Ronald Reagan as "regretful". He said it made it difficult for blacks to gain the equal opportunities available to so many others throughout the world.

Americans understood that equal opportunities were a human right and a national goal that required active efforts. This was a matter of particular interest because they have been fighting their own heritage of racial inequality.

He further warned that in South Africa progress cannot be too slow because all affected communities will suffer unless they are brought into the constructive political partnership.

American companies, by being in South Africa, were taking a constructive view of what was necessary to do since they realised they can be a significant factor for change.

He said US companies sometimes had great difficulties deciding how best, or even whether, to operate in all in South Africa.

"Pressure at home and political risk here and in certain African countries as a result of economic interests, are part of the environment within which the United States must operate," Dr. Samuels said.

He added that change is always taking place and the progress of human beings cannot be denied. To change peacefully with minimal violence, education was one of the building blocks for the future.

Dr. Samuels said he hoped that the school would provide, in this technical age, the advantages and opportunities for the development of generations of the future. This would mean that in future there will be no excuses that there are no blacks to promote to positions of responsibility.
Gamble on gold failed, says NR

CAPE TOWN — In a recent interview, the Minister of Finance, Mr. Horwood, said he would push for a gold tax to help defray the costs of living. However, preliminary estimates suggest the gold tax will benefit only those who buy gold at the official rate. The gold tax will also increase the price of goods and services, making it difficult for consumers to afford them. Mr. Horwood said, "It is necessary to shift from the current system of gold transactions to a more efficient one to ensure that the benefits of the gold tax are distributed fairly."

Today's business

Questions: Private Members motions by J. Lloyd (NP Boes-
paal) — importance of trade unions. Mr. C. W. Botha (NP Sea-
Point) - inquiry into A. A. and related

strikes last year

JULY - Black workers went on
lines last year, said Minister of Man-
power Botha yesterday.

(To a question by Mr. Botha, Mr. Botha said 125 strikes
of black workers were recorded in 1989, and the
reasons were primarily wage demands and demands
for recognition of trade unions.)

Father held after baby girl is
stabbed

By Mike Cohen

A young mental hospital patient has been arrested in connection with the stabbing of her 8-month-old child.

The child was stabbed in the hospital in a satisfactory condition.

A spokesman for Police Headquarters in Pretoria said today that a 22-year-old man was arrested from Steenkoppet Mental Hospital near Krugersdorp on Wednesday morning and went to his parents' home at the Baragou on Bietman Road.

He apparently knew the child.

He was taken to hospital.

The police did not report the area where the stabbing took place.

The police arrested the man in connection with the stabbing and sent him back to Steenkoppet Hospital for further treatment.

The police did not give any details about the court appearance.

Policeman dies on duty

Crime Reporter

A Ladysmith policeman, Major C. D. Engelbrecht (38), died on duty in the operational area yesterday, police headquarters announced today.

Major Engelbrecht, who leaves a wife and two children, was attached to the district headquarters in Ladysmith. No details of his death have been released.
Strike for pay rise

ABOUT 400 workers at Dreszer SA in Wadeville, East Rand, this week downed tools after disagreement with management over wage rise.

The strike, which started on Monday morning, began with workers from one department in the firm refusing to work before management acceded to their demand of a R1 per hour increase.

The striking workers were yesterday joined by the remaining department and brought production at the company to a standstill.

Spokesmen for the workers said a company official had failed to address them when they asked instead, they had returned later and "behaved rudely," threatening those who refused to work with dismissal.

"Now that everybody is out on strike, they are trying to get us to talk to them. That is something we are not prepared to do right now," the spokesman said.

A worker complained about general working conditions in the company, but could not elaborate.

"The Sullivan Code of conduct is not observed here," one said.

The management's attempt to address the workers were futile.

"We know for sure that there are procedures involving payment. But these have not been defined, the workers have not nominated any representatives to talk to us in a proper manner," the spokesman said.

"There seems to be a rush, but we are trying to put the work force to talk to us," he added.
How relevant now?

Are codes of employment conduct, such as the Sullivan Code for American companies operating in SA, beginning to outlive their usefulness?

An increasing number of black unionists are speaking out strongly against the codes. Says the Motor & Component Workers Union of SA (Macwusa): "The Sullivan Code is a toothless package that can be applied by US corporations operating in SA with ease, and is just piecemeal reform that allows this cruel system of apartheid to survive."

Some other critics concede that the codes might have once played a useful role, but say now that increasing numbers of blacks are making use of trade union rights, the codes lack the relevance they might have once had.

Reid Weeden, who is in SA this month on behalf of Dr Leon Sullivan to hold discussions on how to improve the code and reporting on it, believes strongly that it still has an important role to play. During his stay, he will be speaking to companies which are signatories to the code and to trade unions.

"Any programme of this kind is going to be criticised," he says. "I think that for a number of years it will offer a stimulus to companies to keep doing more useful things to improve the social and economic welfare of the people who work for them."

He points out that the number of signatories to the code has risen from 12 in 1977 to about 130 now. These companies have made important changes to employment practices and have initiated a variety of projects which aid black communities. Funding for the Pace school in Soweto has come from such companies, while 150 black schools receive constant support from Sullivan signatories who take part in an "adopt a school" project.

The code, Weeden believes, provides a rallying point for companies to generate ideas and to work together to implement them. In doing so they set an example to others, creating a ripple effect.

Weeden is sceptical about efforts to pass legislation in the US to force American companies in SA to adhere to a set of employment principles, possibly tougher than the Sullivan code. Congressman Stephen Solarz has drafted a Bill which aims to do this, but Weeden does not believe that it will obtain Congressional approval.
A US look at labour trouble

CHARLES DAVIS

Charles Davis is the
US president of FA
Labour, Inc. He is
a career diplomat
with 35 years of
experience in Washin
gton, Afghanistan,
Vietnam, Pakistan
and France.

FA: Are events like Apartheid's death and the
Noble Commission likely to affect future
management decisions by US firms?

Davis: Foreign investment fell off notice-
ablely after Harperville, and again after
Jovan. Most recent US investment has
come from re-invested earnings in US sub-
divisions rather than new investments and
there has been a decline in US lending to SA
in the banking sector. This is partly due to
domestic pressures in the US and partly to
SA's own economic strength but clearly
political and security considerations are
playing a role.

Managements in SA are increasingly being
faced with demands for changes outside
the labour arena, rather than simple
changes on the factory floor. How should
American companies respond to these demands?

Davis: US firms only account for 20% of all
foreign investment in SA and have very lim-
ited leverage on the country's political
processes. Given obvious resource and poli-
tical limitations, I see improved dialogue
with workers as the single most important
strategy to pursue.

Recently there has been a significant
breakdown in union activity in SA. If this
continues, what will be the US response?

Davis: Washington's interest in the SA labour
scene is very high. Labour is the sector
most frequently mentioned by those arguing
that peaceful change and development are
possible in SA, and that we should work
with people who are committed to such a
course. Obviously, actions undermining this
thinking aren't helpful to those seeking an
alternative to confrontation with SA and its
people.

But, moved to the 辩论, we have
taken a series of strong actions. Our
policy is to support peaceful resolution of
the situation, while at the same time pro-
moting human rights and democratic
values.

The US administration is currently
considering its position on the question of
governmental payments to SA.

This administration's position on recent
legislation prohibiting trade and investment
with the Union of South Africa has raised
serious local emotions, not to mention the
concerns of those who hope to maintain the
situation as it is. But, the US decision could
be seen as a move to pressure SA into
changing its policies.

The APLCO code has been controversial
in SA. What does the US programme mean for
SA? And what role will the US play in the
future?

Davis: The APLCO code was written to pro-
hibit trade and investment with SA.

It's significant that, in the current climate,
the US has not taken a clear position on
this issue. Instead, it has chosen to
support a process of dialogue with SA,
which is seen as the only way to
achieve meaningful change.

But, the US has expressed concern about
the situation in SA and has made it clear that
it will continue to monitor developments
very closely.

The implementation of the Sullivan Code
has had a positive effect, not only on im-
proving the employment practices of US
firms but also in setting an example to
others. Neither the Sullivan Code, applying
to American companies, nor SA's policies
covering other foreign companies, can
transform SA society - only SA's citizens
can do that. While some SA corporations
are making substantial efforts to upgrade
employment practices, more must be done
by SA employers, who are after all not only
the largest employers in this country but
those having the greatest stake in its
future.
The Star's Africa News Service

SALISBURY — A leading and influential member of the US banking community says that economic sanctions would not achieve their object of making the South African Government change its policies.

Speaking in Salisbury, Mr. David Rockefeller, former chairman of the powerful Chase Manhattan Bank, said he agreed with the US Government's view that the exerting of a persuasive influence through closer ties with South Africa waw probably the most effective policy.

In any case, sanctions against South Africa would not be effective because not all countries would participate.

Heading a Chase Manhattan delegation on a nine-nation African visit, Mr. Rockefeller spent two days in the Zimbabwean capital. He met Prime Minister Robert Mugabe, Finance Minister Dr. Bernard Chidzero, President Canaan Banana and local businessmen.

Mr. Rockefeller was optimistic about the future of the Zimbabwean economy and impressed with what had been achieved since independence.

He would encourage potential American investors to visit the country and they themselves talk to businessmen and government officials.

On African Marxism, Mr. Rockefeller said that most of the allegedly Marxist states he had seen seemed to be "more labels and trappings" than Marxist reality.

He had found many black leaders to be pragmatic and prepared to accept help from capitalist countries.

<table>
<thead>
<tr>
<th>Bank</th>
<th>Income Expense</th>
<th>Insurance Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>300</td>
<td>Income Statement</td>
<td>300</td>
</tr>
<tr>
<td>300</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Income Statement</td>
<td>24</td>
</tr>
<tr>
<td>24</td>
<td>Income from Policy</td>
<td>24</td>
</tr>
<tr>
<td>000</td>
<td>Bank</td>
<td>04, Jan 1: Insurance Expense</td>
</tr>
<tr>
<td>300</td>
<td>04, Jan 1: Insurance Expense</td>
<td></td>
</tr>
<tr>
<td>300</td>
<td>Years 03 and 03 - same as 01</td>
<td></td>
</tr>
<tr>
<td>300</td>
<td>Bank</td>
<td>31: Income Statement</td>
</tr>
<tr>
<td>300</td>
<td>Insurance Expense</td>
<td>300</td>
</tr>
<tr>
<td>300</td>
<td>Premiums, Premiums as Business Expense</td>
<td>300</td>
</tr>
</tbody>
</table>
As a mining engineer pointed out: 'As a mining proposition, the Rand is known all over the world as a low grade proposition, and you would not be able to work it unless you did have very cheap labour.' (105) And as an economist concluded: 'What made the Rand possible was the fact that the Kaffir worker would be employed for not over £5.00 per year... It is indisputable that the mines were saved by the services of a non-competing group of black workers.' (106) The profitability of the mining companies depended on the maximisation of the wages of the ultra-exploitable 90 per cent of their labour force to an average of 2s. per shift (in comparison with the average of 20s., per shift of the politically free 10 per cent of the labour force). Higher wages for 90 per cent of the labour force would have been quite incompatible with profitability.

A shilling a day to the boys [as a wage increase] would wipe out practically half the dividends paid by the Rand. Yes, and it would be a great deal more than racial discrimination for the purpose of profit accumulation took the specific form of measures of racial discrimination serving to secure and maintain the ultra-exploitatibility and ultra-exploitation of non-white workers - referred to as exploitation colour bars. The exploitation colour bars were the profit-maximising parts of what were referred to as the class colour bars - racially discriminatory class instruments serving to secure class interests - of the property-owning class (the other part being the property colour bars, serving to secure and maintain the separation of non-whites from ownership of property in the means of production), adapted and extended by specific groups of property owners, like the mining companies, to meet their own specific profit accumulation requirements. And, because of the specific conditions of the gold mining industry, the profitability of the mining companies was critically dependent on the exploitation colour bars.

The first questions in an examination of the white workers must be, why speak of a group of white workers? What is the analytical meaning, for this study, of the term 'white workers'? Of course an answer to the first question could simply be found in the observed fact that one of the groups operating the system of racial discrimination which this study is concerned to explain was a group of white workers, which merits particular attention for that reason. But there is a more important and more fundamental answer to these questions, which concerns the South African social formation and the respective political positions of white and non-white workers, and which needs...
'General Electric Corporation (GE).

Ironically, the project was disclosed by the Washington lobbyist for Utah International, speaking at a seminar on US corporate investment strategies. The seminar included delegates from the church-backed Interfaith Centre on Corporate Responsibility (ICCR), which organises shareholder protests against investment in SA.

Utah International has been a wholly-owned subsidiary of General Electric since 1976. Its huge coal and uranium mining operations produced $1.72 billion of GE's total $27.2 billion in gross revenues last year.

William Grant, Utah International's representative, reportedly told the seminar that part of his current duties was to sound out reactions from the Reagan administration and public interest groups for a "major undertaking" in the SA coal industry.

Grant said that Utah International would pay the SA black coal miners $900/month, which he said compares favourably with other pay scales in the country. He noted that 80% of Utah International's workforce at its New Mexico mines is made up of Navaho Indians, who earn up to $30 000/year.

The disclosure brought an immediate warning from Tim Smith, director of the Interfaith Centre, that such an investment would be taken as "a nod of approval" by Pretoria for its race policies. He also promised that his group would try to derail the project if possible.

Spokesmen for both Utah International and GE have refused to disclose details of the project.
HARTFORD, Connecticut — The chairman of a committee studying Connecticut's investments in South Africa said yesterday the State should not entirely divest itself of interests in companies that do business with the Republic.

Instead, said the State Treasurer, Mr Henry Parker, it should tighten standards already recognised.

Connecticut forbids State pension-fund investments in companies not adhering to minimum standards for minority employment in organisations operating in the Republic.

Mr Parker, the highest-ranking black person in US State Government, headed a task force set up in December on South African investment policy.

Last year, the Connecticut Governor, Mr William O'Neill, vetoed legislation that would have required the State to withdraw all pension-fund investments in companies doing business with South Africa.

At the time, the Governor noted that the committee was divesting itself of interests in companies that:

- Had not obtained a performance rating in the top two categories of the Sullivan principles (which spell out the standards for minority employment);
- Supplied "strategic products or services for use by the Government, the military or the police in South Africa.
- Failed to recognise the right of all South African workers to organise and strike, "free from the fear of dismissal or blacklisting.

SAPA-AP
Doing business in SA

The case for US firms

Post Focus

Weekend Post April 20, 2023

The most important

For more on this article, contact

E-mail: info@post.com

Phone: 123-456-7890

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,

The American ambassador to South Africa, HERMAN NIEKERK,
HARTFORD — The chairman of a committee studying Connecticut's investments in South Africa said today the state should not entirely divest itself of interests in companies doing business with the Republic.

Instead, said the State Treasurer, Mr. Henry Parker, it should tighten standards already recognized.

Connecticut 'forbids' state pension-fund investments in companies not adhering to minimum standards for minority employment in organizations operating in South Africa.

Mr. Parker, the highest-ranking black person in US state government, headed a committee set up in December on South African investment policy.

Last year, the Connecticut Governor, Mr. William O'Neill, vetoed legislation that would have required the state to withdraw all pension-fund investments in companies doing business with South Africa.

In releasing the committee's final report, Mr. Parker recommended that Connecticut divest itself of interests in companies that:

• Had not obtained a performance rating in the top two categories of the Sullivan principles (which spell out the standards for minority employment);
• Supplied 'strategic, products or services' for use by the government, the military or the police in South Africa, or;
• Failed to recognize the right of all South African workers to organize and strike, 'free from the fear of dismissal or blacklisting'.

Sapa-AP
Shock absorber factory for SA

THE official opening of a R10m shock absorber factory for Gabriel South Africa by the Minister of Industries, Commerce and Tourism, Dr Dawie de Villiers, at Retreat industrial area last week was another milestone in the growth of the local motor-component industry and in the efforts to make this country as independent as possible of overseas supply sources.

This is especially so when you consider that every four-wheeled vehicle produced in the Republic, from the smallest car to the heaviest truck, has to have four shock absorbers fitted as original equipment and will probably need a few replacements during its running or working life.

The Retreat factory will produce 2,000,000 shock absorbers a year, and this is barely enough to fit to the 450,000 cars and commercial vehicles which were produced in a record 1978 and which are expected to be produced again in 1979 and replacements for vehicles already on the road. The increase in car production was 41 percent and 50 percent in commercial vehicles.

Local Expertise

Not only does a factory such as the one at Retreat add yet another advance in local expertise and manufacturing technology — and a further contribution to SA's self-sufficiency — but it will save the country some R15m a year in foreign exchange for imports and provide an export market which in itself could bring millions back into the country.

Gabriel, of the United States, is one of the biggest manufacturers of shock absorbers in the world, and its South African operation was started 19 years ago in Plumstead by Harold Jones and Co, which acted as indent agents and which retained a 14 percent interest in the new operation. The Chicago-based Maremont Corporation, which controls Gabriel in the USA, has a controlling holding of 51 percent with Plessey SA — which is situated right next door — as a big local shareholder, with 25 percent.

Mr Byron Pond, chairman, president and chief executive officer of Gabriel's parent company in the USA, flew out from his Chicago base to attend the opening and said that the fact that the South African operation had developed significant export markets in the USA, Australia, New Zealand and some southern African countries was an impressive feat.
Our biggest challenge

"Our biggest challenge for the future will be to remain competitive with the growing Japanese parts industry for in terms of quality and cost efficiency they are rapidly approaching the excellence of their country's car manufacturers."

During the past 19 years Gabriel has become the leading shock absorber manufacturer in South Africa and this has been due mainly to the high technological excellence of its products. The previous factory in nearby Main Road, Retreat, became inadequate to meet the demands both local and overseas for its products so the new factory was built to handle the additional capacity and potential growth until the end of the century at least.

The growth — and success — of Gabriel in SA is reflected in annual increases of workers by 3.9 percent, production by 14.2 percent, capital investment and turnover by 20.3 percent or an overall 36.5 percent improvement.

Original factory

The original factory in Main Road, Plumstead, was established with an investment of R300 000 and initial production was 120 000 units a year and the range consisted of two basic types of shock absorbers in 60 variants. Local content was then about 50 percent.

The new factory will initially produce more than 2 000 000 units a year with 10 different types of shock absorbers with 400 variants. Local content now averages more than 80 percent and exceeds 90 percent in some products.

Since it started, Gabriel has captured a 60 percent share of the shock absorber market and is also the leading manufacturer of McPherson struts for suspensions. In fact, if it did not produce these struts as well it could turn out more than 3 000 000 shocks a year.

It all sounds like a shockingly good business to be in.
Shareholders of IBM vote to stay in SA

Argus Bureau

WASHINGTON — International Business Machine shareholders voted by an overwhelming majority yesterday to keep the huge multinational company operating in South Africa.

This was one of the major skirmishes of corporate "proxy season" during which America's major corporations — face their shareholders at annual general meetings. Church groups, universities, and retirement funds have placed "special conscience" resolutions on a string of annual general meeting agendas — and many of those resolutions involve South Africa.

A total of twelve church groups holding almost 80,000 IBM shares with a total value of about $4.7 million asked IBM to terminate its activities in South Africa as quickly as possible unless the South African Government committed itself to ending apartheid and taking "meaningful steps toward establishing full rights for the black majority population."

**VOTES**

- The proposal drew support from only 2.22 percent of the total of more than 472 million votes cast at the meeting.
- Because IBM meeting rules require a vote of at least 60 percent for any proposition to be reconsidered the next year, the resolution falls away.

IBM chairman Frank Cary denied that his firm's computers — including one in the South African Department of the Interior — were being used to implement racial discrimination.

He said IBM would not bid in "any" situation where it thought its machines would be used for repressive purposes.

<table>
<thead>
<tr>
<th>Year</th>
<th>No.</th>
<th>Yes.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1971</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1972</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1973</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1974</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1975</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1976</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1977</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1978</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1979</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
PORT ELIZABETH — Ford announced yesterday that its three Port Elizabeth plants would be closed on Monday and Tuesday and that workers at its Neave plant would go on "short time" from Wednesday.

A company spokesman said the closures were due to a disruption in short-term supply of parts and to enable the company to carry out "inventory rationalization actions."

He said that because of the economic downsizing, the company had decided to reduce the 8-hour shifts to eight hour shifts at the Neave plant, but had not cut out any shifts. Overtime would still be worked as and when required at all three plants, he said.

Wholesale & Retail Trade and Catering and Accommodation Services

S.A. Electrical Workers Association
S.A. Electrical Workers Association
S.A. Metalworkers Employment Society
S.A. Metalworkers Employment Society
National Union of Metalworkers, Construct and Allied Workers
National Union of Metalworkers, Construct and Allied Workers

Metal and Allied Workers Union

Building and Allied Workers Union

Building and Allied Workers Union

Black Allied Workers Union

Amalgamated Union of Building Trade Workers

Amalgamated Engineering Union of South Africa

Amalgamated Engineering Union of South Africa

Amalgamated Society of Woodworkers

Cape Town Gas and Water

S.A. Diamond Workers Union

S.A. Association of Metal Mechanics

Cape Townd Metalworkers Union

Other
US-SA TRADE

Evans Amendment

It was back in 1978 when the then-liberal representative (now Senator) Paul Tsongas of Massachusetts was busy burnishing his image as the man suited to become Ted Kennedy’s teammate in the upper chamber. When the legislation came up to extend the charter of the US Export-Import Bank for another six years, Tsongas offered an amendment flatly barring the bank from supporting any US trade activities with SA.

This was the height of the Jimmy Carter campaign for morality in foreign policy, so overt friends of SA were off in the tall grass biding their time. Nonetheless, Thomas Evans, a senior Republican congressman who had a large measure of respect on both sides of the House, proposed an alternative amendment that was ultimately adopted and added to the Export-Import Bank’s charter.

The Evans Amendment — as it is now known — required that the US Secretary of State “certify” that the companies applying for Exim bank loans or guarantees on SA business ventures were following the Sullivan Code or some other demonstrable programme that was working toward racial equality.

It was a poor choice. Certification by the US State Department quickly threw up an impenetrable pell-mell of legal obstacles making it impossible for the administration to do what Congress required of it. The word “certify,” the State Department legal bureau reported, by its very choice implied that representatives of the State Department have to make sure there has been a physical inspection of the business themselves and their operations in SA. And obviously one inspection would not suffice; there would have to be regular patrolling to prevent backsliding. That would (by implication) require a substantial increase in the permanent staff of the US Embassy in Pretoria which would have to wait increased appropriations.

Then Pretoria stepped in with an explicit objection to American inspectors tramping around SA corporate plant sites every quarter. That objection was seized upon by the State Department as further proof that nothing could be done right away to certify any specific applicants and thus renew trade financing activities through the Exim bank.

The advent of the Reagan administration last year did not improve matters. William Clark, now the President’s top security adviser, was the State Department official who reviewed the Evans Amendment at Rep Evans’ request to see what could be done to break the legalistic logjam.

Evans’ legislative aide, James Orr, told the FM last week what happened. “Under-Secretary Clark wrote us in return that the law was so tightly drawn that there was no way he could move the legal folks at State unless there was a change in the wording.”

“We realise now that the word ‘certify’ was too narrow and Evans has said to me in the past week, and to some business groups too, that he would like to have the law changed to make it easier for the bank to begin funding trade with SA under the Sullivan Code,” Orr said.

But this is an election year for all of the congressmen and one third of the senators. American voters are frustrated over the economy and spoiling for a fight over a hundred other issues both foreign and domestic.

“No-one wants to be the congressman who comes out for free trade with SA in a year like this,” Orr explained. “The Reagan administration won’t change the interpretation of the law and this year, at least, the law can’t be changed.”

Thus it was last week that when Evans told a group of visiting SA business executives in New York of his frustration, there was a faint but fruitless flutter of hope that he had decided to make the push this year. His aide, Orr, says that is most unlikely course of action.

But there is always next year.

“By May 15 1983 we have to have approved the Bill to extend the Exim Bank’s charter for another six years and that might be an appropriate time to change the amendment to something more workable,” Orr explained. “I do know Evans is concerned right now. But between now and next spring I just don’t think anything can be done.”
A big U.S. stake in South Africa

By Andrew McKie

Investment in South Africa is far smaller than that of the U.S. and Europe, and there is a notion that it is not worth the effort. The $800-million in the past 10 years is not a large investment, and there is no obvious logical reason for this.

The South African economy is far smaller than that of the U.S. and Europe, and there is a notion that it is not worth the effort. The $800-million in the past 10 years is not a large investment, and there is no obvious logical reason for this.

The South African economy is far smaller than that of the U.S. and Europe, and there is a notion that it is not worth the effort. The $800-million in the past 10 years is not a large investment, and there is no obvious logical reason for this.

The South African economy is far smaller than that of the U.S. and Europe, and there is a notion that it is not worth the effort. The $800-million in the past 10 years is not a large investment, and there is no obvious logical reason for this.

The South African economy is far smaller than that of the U.S. and Europe, and there is a notion that it is not worth the effort. The $800-million in the past 10 years is not a large investment, and there is no obvious logical reason for this.

The South African economy is far smaller than that of the U.S. and Europe, and there is a notion that it is not worth the effort. The $800-million in the past 10 years is not a large investment, and there is no obvious logical reason for this.

The South African economy is far smaller than that of the U.S. and Europe, and there is a notion that it is not worth the effort. The $800-million in the past 10 years is not a large investment, and there is no obvious logical reason for this.

The South African economy is far smaller than that of the U.S. and Europe, and there is a notion that it is not worth the effort. The $800-million in the past 10 years is not a large investment, and there is no obvious logical reason for this.
‘Silent U.S. giant’ hits at disinvestment lobby

A SILENT giant among United States multi-nationals operating in South Africa has snapped back at disinvestment lobbyists who claim recently that the Rank Xerox Corporates was stripping blacks of their dignity.

The lobbyists tried to pressure the huge international corporation, which has a major stake in South Africa, to consider further developments in the country and cut off commercial ties with the South African Defence Force and South African Police.

This week local Rank Xerox chief executive Mr. Jan Kobbens hit back at “those misguided groups,” breaking a traditional silence of multinational groups, who usually keep a low profile on their involvement in South Africa.

“We are doing more than we could be doing — and there are no kudos to be gained from that,” Mr. Kobbens said.

Bitter

He dismissed any possibility of the South African operation suffering at this stage because of the activities of the disinvestment lobby. “They represent a very minor portion of the shareholder base,” he said.

This was born out by activist leader Miss Alice Lytle, who said in Sacramento that the two public pension funds she represented, both controlled by the Governor’s office, were represented by only about 1.4 percent of total shareholding at Rank Xerox.

“Miss Lytle tried to handle the anti-apartheid resolution with a vote at the meeting of shareholders,” she said.

The argument against the US corporate activity in South Africa should be encouraged as a force for racial equality, Mr. Kobbens is bitter at the attack and “I believe that Rank Xerox was ahead of the times” in introducing better standards of employment.

Xerox picked this up before the SEC and Sullivan reports. “We produced a statement of employment policy in 1969,” he said.

It quite clearly states no discrimination on grounds of race, sex or creed.

Once basic training problems have been sorted out, Xerox began their “top-hat scheme” — management training for black graduates.

“We took five individuals on a two-year training scheme. The training was given as a trial period in the company.

“Now there are three in middle management and one in top management.”

In line with many other multinationals operating in South Africa, Rank Xerox has developed a social responsibility programme, that extended beyond training of employees.

Projects include:

- Adult education classes for employees
- Funding for Swaziland schools
- Urban Foundation projects
- A creche
- Plans for involvement in a creche in Tshwane.

“Rank Xerox is certainly participating in the change in this country.

There has been an enormous change in South Africa.”

Mr. Kobbens added that most multinationals preferred to maintain a low profile in their South African involvement.

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>418</td>
</tr>
<tr>
<td>322</td>
</tr>
<tr>
<td>331</td>
</tr>
<tr>
<td>222</td>
</tr>
</tbody>
</table>

**Failures**

The programme resulted in several mistakes including training programme failures and the resignation of a white employee and relatively high expenses.

In 1989, 13 percent of Rank Xerox’s workforce was black. — in now, the figure is 35 percent — the result of a “very conscious” effort to increase the black workforce in relation to the number of whites.

“I believe a country’s economy — if it is to grow — cannot be driven and run efficiently by 2 percent of its population.”

Mr. Kobbens said the first two training programmes were disasters. “We adopted a scientific approach.

Xerox took people with supposedly the same primary and secondary education levels and trained them in the same way as white technicians.

“We quickly came to the conclusion that: this did not work out very well. There was not sufficient success factor after training,” he said.

Rank Xerox then moved to employ black graduates and put them through the traditional training scheme.

1974 affiliated to TUCSA and had disaffiliated by other unions formed FOSATU in 1979

201/4 City Centre Corporation Street Cape Town 8001

Secretary: A. Frazier Corporation: Western Cape 1939

on: Yes
<table>
<thead>
<tr>
<th>Year</th>
<th>Africa</th>
<th>Asia</th>
<th>Europe</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>294</td>
<td>322</td>
<td>294</td>
<td>1,800</td>
</tr>
<tr>
<td>1971</td>
<td>311</td>
<td>320</td>
<td>311</td>
<td>1,942</td>
</tr>
<tr>
<td>1972</td>
<td>294</td>
<td>322</td>
<td>294</td>
<td>1,800</td>
</tr>
<tr>
<td>1973</td>
<td>311</td>
<td>320</td>
<td>311</td>
<td>1,942</td>
</tr>
<tr>
<td>1974</td>
<td>294</td>
<td>322</td>
<td>294</td>
<td>1,800</td>
</tr>
<tr>
<td>1975</td>
<td>311</td>
<td>320</td>
<td>311</td>
<td>1,942</td>
</tr>
<tr>
<td>1976</td>
<td>294</td>
<td>322</td>
<td>294</td>
<td>1,800</td>
</tr>
<tr>
<td>1977</td>
<td>311</td>
<td>320</td>
<td>311</td>
<td>1,942</td>
</tr>
<tr>
<td>1978</td>
<td>294</td>
<td>322</td>
<td>294</td>
<td>1,800</td>
</tr>
<tr>
<td>1979</td>
<td>311</td>
<td>320</td>
<td>311</td>
<td>1,942</td>
</tr>
</tbody>
</table>

**Address:** 201 A City Corporation Building, Cape Town, South Africa

**Telephone:** (021) 433-458

**Secretary:** Mr. Sam Khanna

**Area of Operation:** 1972-77

**Registration:** 1971, affiliated to the World Jewellery Union (WJU) in 1974.
By-election to test NP against CP

Political Staff
CAPE TOWN — The first big test of strength between the National Party and the Conservative Party will take place on August 18 in a provincial by-election in Germiston District.

The parliamentary seat is held by Mrs Bessie Schultz, one of the 17 National MPs who followed Dr Andries Treurnicht to form the Conservative Party.

The seat is regarded as a Nationalist stronghold. Mrs Schultz was unopposed when she stood for the National Party in a by-election in 1979 and in last year's general election.

Both parties will throw everything they have into the fight as the outcome of which will determine the sympathies of the bulk of Transvaal Nationalists lies.

The Star's Pretoria bureau reports that the Henning Botha National Party has nominated Mr Jack Myburgh as its candidate.

US state to end SA investment

NEW YORK — A law imposing more strict limits on Government investment in companies doing business in South Africa was passed yesterday.

Its supporters estimated that the state would have to sell at least R36 million in stocks and bonds.

State Treasurer Mr Henry Parker said it was the toughest state law of its type in the United States aimed against the South African Government.

Those involved in the issue say that about R220 million of the state's R100 million investment portfolio involves businesses with connections in South Africa.

'Ve have figured that, depending on how strictly it is enforced, the new law will require divestment of at least 70 million dollars (R63 million) worth of stocks and bonds,' said Mr Christy Hoff, a member of the Research Commission which studied the problem.

Governor William O'Neill pledged to sell his even stronger bill last year, saying he wanted to know if the state's financial position would be hurt by selling the holdings.

He appointed the 11-member commission, whose members were crowding around him yesterday as he signed the product of their work.

Though the commission report, on which the law is based, was unanimous, the panel wrestled internally over whether to recommend complete divestment of state pension money and other funds from companies which operate in South Africa.

Energetic mum Mrs L. Peet was due to run on Monday evening when her baby made an overdue appearance. She had completed a gruelling 16 km road race in Amanzimtoti.

In fact, she ran five races, including the heart-stopping Harrismith Mountain Race, before she found she was expecting her first child and gave up the training. She was the first woman home on two occasions, winning the ten km race in Glenrose and Dundee.

135 killed in crossfire

SAN SALVADOR — An army colonel who headed a sweep against leftist guerrillas in northern El Salvador said yesterday 135 people, including insurgents, women and children were killed in crossfire during the operation.

Colonel Domingo Monterrosa gave no breakdown on how many of those killed were guerrillas, how many were non-combatants.

'It was natural that there were women and children,' he said.

The United States has been helping the Salvadorean government to fight the leftist insurrection. American aid includes military hardware and the stationing in El Salvador of 86 military advisors.

Reagan aim in Europe is ‘cathedral of peace’

BONN — President Reagan, in a speech to the West German Parliament yesterday, pledged his commitment to nuclear disarmament and announced a new proposal to reduce conventional forces in Central Europe.

After a private meeting with Chancellor Helmut Schmidt, he urged West Germans to help the United States build a 'cathedral of peace.'

He acknowledged deep concern in Europe about the danger of a nuclear war, but said history showed unilateral disarmament did not advance peace.

Mr Reagan, whose visit to Bonn to attend a Nato summit meeting today's stirred-up atmosphere, and opponents, said America's commitment to defend Europe remained strong.

'Europe's shores are our eastern European borders,' he said.

He suggested conventional forces be reduced to 100,000 and 700,000 men on each side.

The move was aimed at reviving Viennese talks on mutual force reductions, long stalled because of the inability of both sides to agree about how many troops they have now.

Diplomats said the proposal would enable the 16-member Nato summit to endorse disarmament goals for all areas of nuclear and conventional weapons.

British rail strike looms

LONDON — A nationwide rail strike from June 30 has been called by the National Union of Railwaymen.

Also affected will be cross-channel ferries operated by Britain Rail.

The walkout, by a 17-6 vote of the union executive, is over a five percent pay offer which the NUR called "derisory." The union wanted a substantial increase. Better holidays and a shorter working week.

A strike by the NUR means that the 27,000 drivers and 71,000 clerks in separate union cannot work.

A series of strikes on 17 days by the drivers earlier this year over new work schedules cost the board more...
**R400 000 boat dispute settled**

**Staff Reporter**

A DISPUTE over a R400 000 yacht, which was stolen from a company, has been resolved. The yacht, registered as "Antigua," was settled in the Supreme Court in Cape Town last week.

The yacht, registered as "Antigua," was settled in the Supreme Court in Cape Town last week. The owner, a company in the Pearl Group, had been in possession of the yacht for several months.

During the trial, the judge ruled in favor of the company, stating that the yacht was rightfully owned by the company and had been stolen by the previous owner.

**Antigua week**

According to Mr. Dashew, the yacht was taken by the previous owner, who had been in possession of the yacht for several months.

The yacht was valued at R400 000 and was insured by the company.

**Deposit mistake: Man fit to appear**

Staff Reporter

A 41-YEAR-OLD KwaZulu man who had been held in prison for depositing money into his bank account, has been released. The man had been held in prison for depositing money into his bank account.

The district magistrate ruled that the man was fit to appear at the trial.

**Board blasts cola battle**

**Political Staff**

HOUSE OF ASSEMBLY — The bitter fight between Coca-Cola and Pepsi-Cola has lead to the Competition Board finding that restrictive practices existed in their operations in Cape Town and Soweto.

The board, whose investigation into alleged restrictive practices in the softdrinks industry was tabled in Parliament yesterday, said that it had found Pepsi in Cape Town and Coca-Cola in Soweto could not be said to be in competition.

While one member dissented, the board said that pricing policies in Cape Town between 1978 and 1981 had been a restrictive practice.

**Bottles**

"By repeatedly introducing new bottle sizes at the price of the smaller packages in use, it caused a dislocation of that market, endangering output and threatening the continued existence not only of less efficient small firms but also of viable medium-sized ones."

It's fight all along had been with Coca-Cola, but in Cape Town it had over-reacted.

One unjustified restrictive practice by Coca-Cola in Kliprivier, Soweto, was concluded by the Competition Board.

Mr. Van Rooyen, who had been held in prison for depositing money into his bank account, has been released. The man had been held in prison for depositing money into his bank account.

A senior psychiatrist at Valkensberg Hospital, Dr. T. Zabouw, yesterday submitted a report stating that Mr. Van Rooyen's memory was intact. Dr. Zabouw said that Mr. Van Rooyen showed "adequate insight" into his predicament and was not affected by mental
GM to build 30 SAR locos

GENERAL MOTORS will build 30 electric locomotives for the South African Railways.

This was announced yesterday by the general manager of GM's electro-motive division, Mr John Diener. The contract is for 30 KV-AC electric locomotives.

It will cost the SA Transport Services, under which the railways now falls, more than Rs1-million. Deliveries will begin in May, 1984.

The locomotives will operate on the coal export line between Ermelo and Richard's Bay.

The order marks a major breakthrough by General Motors into the electric locomotive market in South Africa, following nine successful years, during which the division manufactured more than 500 diesel electric locomotives.

It brings the number of locomotives sold to the South African Transport Services to 611 since 1973 when General Motors established a manufacturing and assembly facility in South Africa.

Before local assembly, 95 locomotives were supplied to the SATS, which were imported from the division's parent plant in Chicago.

The locomotive will be designed in Chicago and will have a local content of more than 40 percent.
Pan Am restores old links with SA

By Richard Paris
Air Correspondent

Pan American World Airways had not flown passenger aircraft into Jan Smuts Airport for several years until recently but its links with South Africa go back further than most other airlines.

Pan Am first flew the US flag on the long New York-Johannesburg route by way of West and Central Africa in Constellations in the late 1940s — about 20 years before there was a reciprocal service with the South African flag carrier.

Piston-engine aircraft were replaced with jets — DC-8s and Boeing 707's — in the early 1960s but until 1976 the route to New York was still something of a milk run, stopping as it did in several places.

That year African routes were restructured and cut back. The Johannesburg New York route became a twice weekly 707 frequency by way of Rio de Janeiro. During the following year, a Boeing 747 was introduced for a few months before services were suspended altogether during a period of financial austerity.

NOT POLITICS

"There is no truth in what we suspended flights into this country for political reasons," explained Mr. Douglas Davison, the airline's general manager in Southern Africa who has served Pan Am for three decades.

At that time Pan Am was competing on the South Atlantic with SAA and Varig Brazilian Airlines. Its links with South American capitals had been established 40 years before.

"In the past few years, however, it was obvious that a one-stop route to New York of a more direct nature than in the past was desirable because of the fantastic growth in traffic, business and tourism between the countries," he said.

During this time, SAA increased its flights to New York by way of IIma do Sá from twice weekly to five times a week, boosting passenger loads by up to 25 percent each year.

RECESSION

The resumption of Pan Am flights to South Africa was prevented by the airline's ailing finances brought about by the world recession, soaring fuel prices and a costly merger with the American domestic carrier, National.

The airline's recovery programme has been harsh; 10 percent salary cuts throughout the world, for staff with no increases at managerial level this year and a longer working week are just two measures that were taken.

But unlike most airlines, Pan Am has embarked on a major route expansion — it already flies to the six continents — and has expanded its fleet with new jumbo jet and long-range TriStars.

Mr. Davison said that in spite of the high value of the dollar against the rand, the US was still less expensive to visit than Europe and many costs were actually lower than they were in South Africa.
SAGE Pund is making an income distribution of 18.5c a unit for the six months to June — the highest distribution in the fund’s history. It compares with the 14.5c distribution declared in June last year.

The managers say the continued rise in income is due to an increase in overall operating income in the last six months, and a higher income earned on the fund’s existing investments.

The annual report of the company shows that the fund’s income has increased by 50% over the past six months, and the managers attribute this to better asset management and strong market conditions.

SAGE Pund is a leading fund manager in South Africa, and its success is attributed to its strong research team and strategic asset allocation. The company has a reputation for delivering strong returns to its investors.
Reports by Constance Perrey

OFF

WORK PAY

10 YEARS OF HAY!!

The chairman of the Castlemaine Chamber of Commerce, Mr. W. Wilson, spoke at the official opening of the new project, which was the first time that the official opening of a project in Castlemaine had been attended by so many members of the community. Mr. Wilson said he was delighted to receive the support of the community for the project, which he felt was a good example of the kind of work that the community could do to help its own development. He expressed his hope that the project would be a success and that it would provide employment for the local people.

The new project is close to completion and is expected to provide employment for a quarter of a year. The project is located on the outskirts of Castlemaine and is being constructed by a group of local workers. The project is expected to provide employment for about 100 workers and is expected to be completed within the next year.

The project is being funded by the local government and is expected to provide a boost to the local economy. The project is expected to create about 100 jobs and is expected to be completed within the next year. The project is being funded by the local government and is expected to provide a boost to the local economy.
OF HARD PAY

Reports by Perryne Constance

- BELOW: A visitor admires the house of Mrs Christine Kleinsmith (right), while her sister-in-law, Mrs K Kleinsmith, looks on.

theearsandBet-l,ahelpship
development of a part of their area.
This is the first time a private company has become involved in community housing.
Mr Wilson said he needed not stress how serious the housing shortage was. He added that without the involvement of the private sector, progress in housing would be too slow to meet the expectations of the people.

INvolvement
Describing Mobil’s involvement in Kew Town, Mr Wilson explained: “We chose to assist a grassroots self-help group like Babs, in a joint community venture, for we believe this represents the highest and most deserving level of assistance. We wished to set a precedent in assisting genuine community development.”

The houses in Kew Town will be rented at R68 a month and tenants would be able to buy their homes for R8,000 plus R1,000 in the rateable value for land in 1993, Mr Wilson said.

Workable
He pointed out that this amount was 50 percent of the current cost of building the house.
Mobil believed that they had a workable model for private sector parti-
cipation in community development, Mr Wilson continued.

He expressed the hope that others in the private and public sectors would improve on their example.

The national vice-president of Babs, Mr George Gibbs, thanked Mobil for their contribution in improving the quality of life in Kew Town.

BELIEF
Mr Gibbs is a former social worker who now works for Mobil’s Public Affairs Department.
He said Babs had long held the belief that community progress depended on self-help and not on handouts.
The organisation had grown from a solitary branch in Kew Town to 12 branches nationally. This proved that other communities were also prepared to help themselves, he added.

Mrs Christine Kleinsmith, was all smiles last week when she, her husband and four children moved in to the new Mobil sponsored R12-million housing scheme in Kew Town. They were among the 56 families who took up residence.
Mobil’s participation in the scheme was a direct result of its close connections with Build a Better Society (Babs), a Kew Town self-help group which aimed at improving the life of its residents.
The Kleinsmiths moved into their three-bedroomed duplex on May 22 after living at 14 Goedeplein in the past 16 years.
Mrs Kleinsmith, whose house was one of those on show at the official opening last Thursday, said the family had been excited when they had been selected for a house.
They had been used to living in a single room when they lived with her parents-in-law in another part of Kew Town.
“I am a Babs supporter because they are doing good things to help others and me, in serving God, must serve to help others,” Mrs Kleinsmith said.
The Kleinsmiths satisfied the demanding criteria for a house by:

- Being on the City Council’s housing waiting list.
- Being members of Babs.
- Living within the immediate area.
- Satisfying the income criteria.

Mrs Kleinsmith’s sister-in-law, Mrs K Kleinsmith, was at home with her to admire the new house.
She said she found it nice and private after living in Goedeplein as well for a number of years, but was a bit sad that she was not lucky enough to be given a house when the selection was made.
The Kew Town project has 37 duplexes and 13 single-storey houses in Dr Abdurahman Avenue.

Designed
Each dwelling has three bedrooms, a kitchen, general living and dining room and a separate bathroom and toilet.
The houses were designed in consultation with the community through Babs and meet all the expressed wishes of the community.
The main focus will be the community centre which is due to be completed at the end of the year and which will have facilities for a creche and a madrasa.
will prove to be an important catalyst in encouraging the business sector to contribute towards community housing.

This pioneering project is providing one of the first successful models for private sector participation in community development. Mobil chairman, Mr Paddy Wilson, says the project is part of his group’s commitment to improve the quality of life for all South Africans and in the design the accent has been heavily placed on the family unit.

The Kewtown project was developed and financed by Mobil in collaboration with Bab (Build a Better Society Organization). The 37 duplex and 13 single-storey houses include a recreational hall, creche, a madrasa for Muslim religious instruction as well as a teaching unit and a soup kitchen to be used in a feeding programme.

Mobil has had a long association with Bab, a community self-help organization conceived by Professor Richard van der Ross and Mobil’s past relations director, Mr. G. N. Serrurier.

The 10 tenants selected for the houses are all members of Bab and active in the community. The criteria are:
- An income between R275 and R500 a month.
- Tenants must have been on a council waiting list for a house.

The leases will enable the tenants to purchase the houses at the end of Mobil’s lease in 1995 for R8,000 plus an additional R1,000 to cover the estimated market value of the land at that time. The rent is R66 a month.

Designed by Louis Karol, the houses are clustered around a central focus — the community centre — and consist of living room, kitchen, bathroom and three bedrooms. The average plot is 50 by 100 square meters and the floor area of the single-storeyed units is 74 square meters with 79 square meters for the two-storeyed units.

The neighbourhood has been closed to through traffic. Each home has a semi-private front space with lawn and the whole area is landscaped with a central park.

At the official opening of the project, Mr. Wilson said that Bab’s emphasis on self-help appealed to him as Mobil’s policy had always been one of assistance — not handouts.

"Facial recognition extends beyond the continuing process of employee development. We know that only gestures of support for good causes and demonstrations of charity are not answers to the depths and complexity of the needs of this country. Mobil is convinced that we are expected to exercise judgment, take responsibility and exhibit management skills. If such people are not able to carry over such skills into their community, they will undoubtedly become demoralised. Further promoting black advancement in commerce and housing has many striking parallels."

"Housing can be viewed as a process which is intrinsically linked to the career and personal development of an individual. It makes a great deal of sense to run parallel programmes in business and housing advancement for blacks for each complement the other in the choice of advancement and improvement."

Mr Paddy Wilson, Mobil’s chairman... The Kewtown scheme is the catalyst for greater private sector involvement in community housing. Should not only attempt to assess priorities in meeting social needs but that we should do so in a way that can provide a model for wider developments by both the private and public sectors.

"And this above all — we believe that there should be more than mere nominal involvement by underprivileged communities in addressing their problems and that nothing less than joint ventures with the communities themselves is sufficient.

Turning to the housing shortage itself, Mr. Wilson says that without the involvement of the private sector, progress in housing will be too slow to meet the expectations of the people. There is currently a shortage of some 200,000 homes for blacks.

"It makes good social and business sense for the private sector to get involved in housing."

Housing was a strong motivator for workers undertaking routine tasks could hardly be expected to derive self-esteem directly from their work. It was important that such workers could house their families decently within the limits of their means and housing was the only way of promoting self respect.

"It is even more important that higher ranking people can translate job-related achievements into symbols of community progress. How can this be done in township housing which is too often developed to meet the needs of the masses and so cannot possibly fulfill the desire for the expression of individual success.

"Productivity and job performance are closely related to how people spend their leisure time. If people are to work well and participate in community activity they need activities for resting, relaxing and recuperating. Parents also need to be able to create an environment, a home in fact to realise family aspirations."

Programmes of job advancement, if they are not to be viewed as hollow concepts, must be addressed to the whole person. Scope for advancement on the job must be complemented with opportunities for progressing in other spheres of life. Middle-level management
Coke strike leaves sweet tooth flat

Labour Correspondent

SUPPLIES of Coca-Cola to Witwatersrand areas have been disrupted for the past week by a strike at three Coke depots over wage demands.

It is understood that, as a result of the strike, some outlets have been without supplies for the past few days.

But the company's corporate development manager, Mr. Hennie Viljoen, said that most strikers had returned yesterday and that deliveries were "almost back to normal".

There had been no deliveries from last Wednesday to Monday at the three plants, Mr. Viljoen said.

The company was hit by a drivers' strike at two of the depots some weeks ago.

Mr. Viljoen said the latest stoppage had begun last week when the company announced new pay scales for truck helpers — unskilled workers who assist with deliveries — which are scheduled to come into effect on August 1.

The company has awarded these workers a 10% rise, Mr. Viljoen said, but "this is the third raise they have received this year — compounded, it means that we have raised their pay by 31% during the year".

The helpers had been unhappy with this amount and had downed tools, demanding a 50% rise, he said. They had later been joined by workers in the company's yards.

Mr. Viljoen said the company had been carrying on "a constant process of consultation and negotiation" with the workers since the stoppage began.

"But we have made our position clear to them."
A CONSORTIUM of American banks has provided SA Breweries with a seven-year $100-million Eurocredit facility—one of the largest offshore loans to be arranged by an industrial company in SA.

Six American banks are involved in the deal, along with one undisclosed SA bank.

The terms of the loan facility provides for a split interest rate of 5.75% above the London Interbank Offered Rate (Libor) for the first three years, and 6.875% above Libor for the remaining four years, according to the agent bankers Manufacturers Hanover Trust.

Manufacturers Hanover said the facility was being arranged on a club basis—that is, the credit would not be generally syndicated.

The financial director of SAB, Mr Selwyn Macfarlane, said that it was the first time the group had raised money overseas since 1976 when it borrowed $30 million.

No money had been transferred to SAB yet, he said. The facility had been arranged to underpin the group’s financing in the next seven years, not to invest in any specific project.

“IT has never been our policy of identifying borrowing with spending. It will supplement overall funding, not a single investment.”

SAB had a policy of arranging finance for use as required.

Mr. Macfarlane said, “Obviously the proposed brewery (in the Pretoria-Witwatersrand-Vereeniging area) will attract some of the finance, just as other developments will.”

In the short term, the group might not use any of the $100-million, but there was little chance any would be left after seven years.

SAB would continue to use SA credit facilities throughout the period, but if interest rates made SA funding too expensive, the group would use Eurocredit.

Mr. Macfarlane knew of no restrictions on SA companies seeking offshore finance other than gaining approval from the Reserve Bank.

Most companies did not spend the time necessary to build good relations with foreign financial houses and therefore had difficulty arranging loans when they needed them.

SAB executives toured Europe, Britain and America in November 1980 and June 1981 to meet bankers.

“The Reserve Bank is extremely pleased if SA companies avail themselves of facilities from overseas financial institutions. They are keen to encourage it,” he said. “The bank certainly does not inhibit it as long as the money is used well.”

Generally, only the large private companies sought finance offshore—companies which could afford to service it.

Mr. Macfarlane said the facility did not threaten to push SAB’s debt-equity ratio above its self-imposed limit of 0.60:1. At March 31, it stood at 0.52:1.

In spite of the projected slow growth in SA’s economy, shareholders’ funds would continue to show solid growth. The proportion of retained earnings would increase after the group’s decision to gradually increase dividend cover from 2.0 to 2.5 times.

It would provide it with further leverage to borrow.

He said SA Breweries had not yet considered whether further offshore credit facilities might be arranged after the $100-million was used—that’s a lot of money to spend.”

“We don’t believe that to jump in and out of the international money markets is the best way to build long-term relationships.”

SA Brews wanted to keep a low profile on the loan to avoid any possible embarrassment to the American banks.

“Lending money to SA is not particularly favoured by some American shareholders.”

Hence the non-disclosure of the banks involved.

COMMENT: SAB’s success in securing offshore credit is testimony to its international standing as a “safe bet.” By SA standards, it is low geared but still has the financial muscle to undertake some big developments.

The interest rates payable on the facility are about 5% lower than those on SA money and although it is impossible to gauge how favourable the comparison will be in three to seven years’ time, there is little doubt that the cost of servicing the Eurocredit facility will remain cheaper.

AEI/1 secured a similar-sized overseas loan last October.

The success of other forays into the foreign money markets will ultimately depend on the reputation of the companies concerned and the willingness of offshore banks to deal with SA.
Production stopped today at the three Eastern Cape motor manufacturing plants — Ford, General Motors and Volkswagen — when nearly 10,000 workers downed tools in support of demands for higher wages.

At Ford's truck plant and the Neave plant 1,650 workers walked out at about 8.am after being addressed by representatives of the National Automobile and Allied Workers' Union (NAAWU). Union sources claimed that "many workers" at the Struandale plant where the Cortina range is assembled also walked out.

At the Volkswagen plant in Uitenhage the assembly line stopped rolling briefly at more than 4,000 workers gathered on the premises to decide whether they too would strike.

According to VW spokesman, the men returned to work "after an hour and the situation is back to normal. The management was still awaiting contact with union shop stewards who attended the meeting."

First reports from the General Motors plant in Kempton Park said workers "streamed from the factory at 10.30 am. Riot police stood by."

There were no reports of any incidents.

Today's development came after a deadlock yesterday in negotiations at the sitting of the Industrial Council for the motor industry in the Eastern Cape.

The general secretary of NAAWU, Mr. Freddy Sauls, said the employers had not been "prepared to budge" from a proposed increase in minimum wages from R2 to R2.15 an hour. NAAWU has demanded a minimum of R3.50 an hour.

The employers would not accede to other demands including a proposal that workers receive severance pay of one month's wages for every year worked.

Industrial Council negotiations will resume on Monday.

FIREMEN and rescue workers douse flames and search the wreckage of the SAAF Merlin executive aircraft and a Piper Navajo that collided above Pretoria last night. Thirteen people, including three senior Defence Force officers, were killed.
Modified pay demands by car union

Agnes Burman

PORT ELIZABETH — The National Automobile and Allied Workers Union (NAAWU) presented modified pay demands at this week's meeting of the Industrial Council for the motor industry in the Eastern Cape.

Union officials indicated that the modified demands were for an initial increase in minimum hourly wages of 25 percent. Originally a 75 percent increase in minimum wages, from R2 an hour to R2.50, was sought.

At Wednesday's Industrial Council meeting, which ended in deadlock, the NAAWU delegation suggested that workers in grade one receive R2.50 an hour.

SPIRIT

This would be increased to a minimum of R2.75 after six months, R3 after a year and R3.25 after 18 months.

The union's general secretary, Mr Fred Sauls, said: "There was a complete lack of any negotiating spirit at the Industrial Council meeting and the employers were not prepared to discuss a move from the offer of R2.15 an hour minimum."

"The employer representatives' attitude makes us believe either that these individuals cannot make the decisions or that this is a strategy to forge the workers into a strike situation. They may see this as a way to force division among the workers and destroy the union."

After a report back to workers yesterday on the negotiations by shop stewards at Ford, General Motors and Volkswagen, all hourly paid employees at two Ford plants and a number at two of the company's other plants and workers at General Motors and Volkswagen walked out.

In an interview yesterday, NAAWU officials said the union is initially demanding R3.50 an hour, but not to keep wages abreast of inflation but to improve the workers' standards of living.

BACKLOG

A member of the NAAWU negotiating team, Mr Brian Frick, said it was pointless to talk of a downturn in the economy in the context of wage negotiations.

"We believe there is a backlog of low wages among workers in South Africa which has to be rectified."

Mr Sauls said the union did not believe increased mechanisation — widely predicted in the face of wage demands — would necessarily lead to unemployment.

"To pay the high rates would push management into accepting their responsibility for ensuring better production, quality and efficiency — and not laying the blame for low productivity on the workers," he said.

Referring to the possibility of the wage demands leading to retrenchments, he said the union thought "a solution could be found to this kind of problem through negotiations conducted in a spirit of goodwill on both sides."
The Volkswagen plant in Uitenhage has been closed down till further notice after workers went on strike yesterday.

Two of Ford's four plants have also been closed. According to an informed source this will lead to the closure of the other two plants from noon today.

The strikers are members of Fosat's National Automobile and Allied Workers' Union (Naawu), which said yesterday that 15,000 workers were on strike - 7,000 at Volkswagen and 4,000 each at Ford and GM.

But Volkswagen yesterday put the figure at 5,000. Ford at 5,000 and GM at between 1,800 and 2,000.

No end to the strike is likely until Monday, when the industry's industrial council meets to discuss a deadlock in wage disputes between employers and the union.

The strike follows demands by Naawu at council negotiations that minimum pay be raised from R2 to R3.50 an hour - its biggest ever demand. Employers replied with their lowest offer for some years - a R2.15 minimum.

'Flat rejection'

Naawu organizer Mr. Les Kettedas said that at meetings held last week, 10,000 workers rejected this at a meeting of the council on Wednesday, employers stuck to their offer "despite workers' flat rejection" and another meeting was scheduled for Monday.

When Naawu shop stewards reported back to members that employers were sticking to R2.15, the workers decided to down tools, Mr. Kettedas said.

Almost all the strikers are Naawu members - workers, belonging to the National Motor Assembly and Components Workers' Union did not join the stoppage. Some white-collar workers are also taking part.

A Volkswagen spokesman, Mr. Ruben Els, said workers had met shop stewards yesterday morning and decided to return to work but they then decided against returning and began another meeting. The company then closed the plant and is seeking further talks with the union on a reopening date.

Approach for talks

Mr. Kettedas said the company had approached him for talks on reopening the plant, but said he refused. "The only thing union officials can discuss now is wages - but there may be talks with shop stewards on reopening."

At Ford, most of the workers at the Cortina and engine plants are Naawu members and the plants remained in operation. But Ford's other plants are closed.

The company's industrial relations director, Mr. Fred Ferreira, said all plants would be closed today and on Monday morning.

Ford would wait for the outcome of Monday's industrial council meeting.

GM issued a statement saying that 1,800-2,000 workers had walked out yesterday. The company employs nearly 5,000 workers.

The statement referred to the fact that the current wage agreement expires only at the end of the month and that industrial council wage talks are scheduled for Monday.

"We cannot therefore comprehend the action of employees in downing tools at the present time because it is unusual for this to happen while wage negotiations are still in progress," it said - Own Correspondent-Sapa

Strikers face loss of jobs, page 16

Firms would be 'ruined'

PORT ELIZABETH - The three motor manufacturing companies in Port Elizabeth and Uitenhage would collapse if striking workers' demands for a R3.50 an hour minimum wage were met, spokesmen for two of the companies said yesterday.

Faced with the demand for a 75 percent increase of the minimum wage, Volkswagen and Ford are looking at a combined annual increase in their wage bills of about R50-million.

Executives at Ford and Volkswagen agree that the average price of a new car would increase by between R800 and R1,000 if the minimum wage of R3.50 were implemented.

Mr. Fred Ferreira, industrial relations manager at Ford, said simply: "Motor manufacturers in the Eastern Cape would cease to exist."

It is estimated that the total shutdown at Ford is costing the company R2.4-million a day - the value of the 300 vehicles it usually produces in one day.

Mr. Ferreira said that based on a R2.50-an-hour increase, an unskilled worker earning R3.50 an hour would take home R658.43.

"In this category we have sweepers and cleaners who are trained in one day to do their jobs. In this category we have workers whose jobs it is to wash cars to trucks. And this is the kind of salary which we pay to newly-graduated engineers. The demand is just crazy."
Kept busy

He said the four Ford plants had closed "interaction" and that about 2,500 workers at the two Struandale plants were being kept busy although there was no production. These plants would also be closed later today.

A strike by about 230 workers, mostly at the Struandale Cortina plant, paint shop and at an adjacent truck plant, had contributed to this development.

Mr Bucknall said more than 3,000 workers at Ford were on strike — 100 at the engine plant, 250 at the Cortina plant, about 2,500 at the Neave assembly plant and 150 at the truck plant.

At Volkswagen's plant in Uitenhage, more than 6,000 were on strike and another 1,000 had been sent home because of the forced closure.

Virtually all the employees on strike in Port Elizabeth are coloured and most of those in Uitenhage are Africans.

At General Motors, 2,000 workers downed tools yesterday and the situation was described as "fluid" today. The company would not comment, but it was reported that workers there were collecting their pay while the plant was being closed.

Management spokesman at Ford and Volkswagen "have warned that if the companies accede to the workers' demand for a minimum wage of R3.50 an hour, Eastern Cape products would be priced out of the national motor market."
Plan to boost SA industry

- From Page 1

clamping, while welding work would be done by computer-controlled robots.

In another part of the plant, such as the paint shop, computers could be programmed to control spraying of bodies to such an extent that colours could be regulated.

"For example, we could paint a body black after we painted one white or red, without relying on humans," Mr Bucknall said.

"The trouble with computers generally, though, is that while they take over unskilled jobs, they tend to create the need for more skilled control operators."

Dealing with another aspect of the strike, the Secretary of the National Association of Automotive Component and Allied Manufacturers, Mr Bill Hayward, said the disruption in production would have no effect for the time being on the manufacturing of motor components in the Eastern Cape.

"The component companies will carry on producing as before, as they have done during strikes in the motor manufacturing industry in the past," he said.

The component manufacturers did not only supply the Eastern Cape motor industry but also firms in other parts of the country.

"Organised commerce and industry in the Eastern Cape, after many years, succeeded in persuading the Government to create incentives for the development in the Algoa Bay area to provide employment for a growing unemployed population," Mr Hayward said.

Funds for the training of unemployed people had been provided, and the training was conducted free of charge, and trainees paid during its duration.

"Bearing this in mind, I appeal to the strikers and their leaders to think their actions through. At the moment such actions are a disincentive to industry and can put a brake on industrial development," said Mr Hayward.

"This has to be seen as something which involves a community effort — something which the worker and employer must tackle together. The present actions by the workers are irresponsible in the face of the present unemployment problem."

Police officer shot dead by terrorists

MILAN — Terrorists shot and killed a paramilitary police officer who approached the post office they were robbing yesterday, police said.

The murder of Mr Valerio Renzi, 44, was claimed hours after the shooting by Prima Posizione (Prima Position) in a telephone call to Rome's II Messaggero daily.

Prima Posizione is a Left-wing terrorist group allied with the Red Brigades, Italy's most feared terrorist gang.

Police said Mr Renzi had driven to the central post office in Lissone to drop off some letters.

Before he could get out of his car, one of three terrorists outside the post office opened fire with a submachine gun.

Once the shooting broke out, the three terrorists inside the post office fled with only about 300,000 lire (R240).

The six escaped in two cars.

Meanwhile, the Red Brigades member, who led police to where his fellow terrorists were holding US Brigadier General James Dozier, has been released from prison.

Italian news agency ANSA said Dozier was released.
JOHANNESBURG — American companies in South Africa are planning to boost their drive to improve standards among black workers as part of a rapidly accelerating programme in terms of the Sullivan Principles.

The Rev. Leon Sullivan, right-hand man to Mr. Dan Purnell, executive director of the International Council for Equality of Opportunity Principles, said after a visit to South Africa that US firms in 1985 would:

* Train 500 blacks in management and supervision.
* Award 650 scholarships to students.
* Provide 24 technical centres training 10,000 people.

Mr. Purnell stressed that while US companies employed only a small part of South Africa’s workforce, the Sullivan Code applied equally to other overseas companies as well as South African companies to follow.

Labour relations experts suggested that the ‘hope’ today that the striking workers who have brought the three large motor plants in Port Elizabeth and Uitenhage to a standstill this week would reconsider at least temper their pay demands in the light of this move to improve working conditions for blacks in South Africa’s industry.

Urging patience, they said the workers should not also lose sight of the threat of就业 replacement workers in the motor industry; should wage demands be ‘stuck on a level’ which could make large staffing uneconomic. They pointed out that automation was being introduced worldwide in cases where companies have found wage rates becoming prohibitively high.

In Port Elizabeth, Mr. Rod Ironsides, chairman of the Eastern Cape Automobile Manufacturing Employers’ Association and ‘acting chief’ executive of General Motors, S.A., told Weekend Post the growing world-wide trend in union militancy was one of the reasons why automation was ‘‘meaningless’ for overseas and supplementing workers in motor assembly plants.

"Because of the world-wide economic situation, there is a strong tendency to think along the lines of automation. "One has to take it into consideration if your labour force is going to be involved in wild-wage claims."

But he emphasised that automation — a long term programme — in the motor industry would not be just the direct result of worker militancy in South Africa. It could also result from motor design and production sources from parent companies overseas.

"On the technical side, the ‘design of future vehicles will strongly influence what we need to introduce automation,” Mr. Ironside said.

"New developments in assembly plants — anti-corrosive spraying and painting — will make it very practical to introduce automation."

The director of public affairs for Ford, Mr. Dunbar Bucknall, said he thought the move towards automation, although a high capital investment activity, would be ‘‘good business behaviour.”

"The concept of automation will become financially more acceptable once volume of cars produced by the motor industry in South Africa has reached 500,000 a year,” Mr. Bucknall said.

Last year a record number of more than 500,000 new vehicles were sold in the country.

Both Mr. Ironside and Mr. Bucknall believed automation could replace a substantial number of the current work force.

"However, in terms of labour requirements, I believe we could reach a situation where output would increase to a point where we would need to maintain a considerable work force of highly skilled people to overseer and supplement automation,” Mr. Bucknall said.

To give an idea of an automated motor assembly plant, Mr. Bucknall described existing mechanised techniques.

At present, a system of ‘body bucks’ — frames or 'jigs' — are used in which body parts, like the inner shell of the floor, can be clamped. Then the bulkheads and the mudguards can be clamped into place. After this the body is welded together and the ‘back’ removed.

"Automating would mean human workers doing the work."

*Turn to Page 2*
By Phillip Van Niekerk

All motor assembly plants in Port Elizabeth and Uitenhage were closed until further notice yesterday as the strike by more than 10,000 workers over wage demands brought production to a standstill.

Spokesmen for the three companies — Ford, General Motors and Volkswagen — said they would not resume industrial council wage negotiations, due for Monday, until the dispute had been resolved.

The workers downed tools on Thursday after shop stewards of the National Automobile and Allied Workers' Union (Naawu) had reported back from the industrial council talks that the companies were only prepared to offer a minimum rate of R2.15 an hour.

While at least 10,000 workers went on strike, another 3,000, many of them members of the Motor Assembly and Component Workers' Union (Macwusa), have been affected by the halt in production.

Leyland not hit

The strike is restricted to the Port Elizabeth-Uitenhage area. Leyland, the only major motor manufacturer in the Western Cape, where Naawu is also organized, do not fall under an industrial council and there are no wage negotiations in progress.

Mr. Rod Ironside, the acting chief executive of General Motors and chairman of the Eastern Province Automobile Manufacturers' Association, said the strike had created a "de facto dispute" which had to be resolved before negotiations could continue. Employers were "not prepared to negotiate under duress."

It was "deeply regretted that one party to the industrial council has seen fit to take arbitrary action while negotiations are in progress and despite strong appeals by employers for responsible action."

"Out of touch"

Mr. Fred Sauls, general secretary of Naawu, said the employers had not conducted the talks in a spirit of compromise. They were out of touch with the feelings of their workers and had been shocked at the extent of spontaneous worker reaction.

"We offered a compromise deal, starting with a R2.50 an hour minimum now and rising over 18 months to R3.25. They refused to offer more than R2.15 an hour — only 5c more than their first offer in April.

"The workers got fed up when they heard this, because they felt management was just playing around and not really negotiating."

Naawu is to meet workers before Monday's meeting to decide what action to take.

'Exploitation'

The Macwusa organizing secretary, Mr. Government Zini, said Macwusa workers had decided not to support Naawu, an affiliate of the Federation of South African Trade Unions (Fosatu), in the strike. Macwusa members, who are mainly at the Ford Cortina engine plant and General Motors, reported for work yesterday.

Mr. Zini said they could not support a strike that was involved with the industrial council "which we totally reject as an apartheid vehicle geared to place, management in a better position to exploit workers."

Mr. Zini also listed the failure of Naawu to support Macwusa in several other strikes and their "half-hearted" action over the half-hour work stoppage called after the death in detention of trade unionist Dr. Neil Aggett.
Fosatu backs striking Cape car workers

Staff Reporter

THE Federation of South African Trade Unions (Fosatu) has come out in support of car industry workers who are striking in the Eastern Cape.

In a statement issued yesterday, the Fosatu central committee said it backed the demands of the National Automobile and Allied Workers' Union (Naawu) for a "living wage and better working conditions".

"We wish to condemn Eastern Cape motor employers for offering the pitittance they have despite record sales for the past two years. The June car sales report of an all-time record makes a mockery of the 7½ percent increase offered by employers.

"This does not even compensate for the increase in the cost of living. Fosatu condemns the intransigent attitude of the employers. We are clear that employers in the motor industry are coordinating on a national basis and that there is now a concerted effort to check and even break the union on a national basis. "Non-unionised firms have been given large increases, while in all unionised companies management have firmly resisted demands made by the unions. We are also aware that employers are using the press and opportunist unions to break the struggle.

"Fosatu wishes to congratulate its motor affiliate on the courageous and far-sighted way it has led the battle for higher wages, shorter hours and a better standard of living for all workers in South Africa."

The committee said it was aware that the dispute was entering "a critical and dangerous phase" and asked the workers to be "far-sighted" so that they could emerge with strength.

It added that delegates from the meeting would take up the issue with their respective unions, shop stewards councils and shop floor committees.

Every candidate must enter in column (1) the number of each question answered (in the order in which it has been answered); leave columns (2) and (3) blank.

<table>
<thead>
<tr>
<th></th>
<th>Internal</th>
<th>External</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>52</td>
<td></td>
</tr>
</tbody>
</table>

Examiners' Initials

Note carefully

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
2. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
3. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.

Warning

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
2. Candidates are not to communicate with other candidates or with any person except the invigilator.
3. No part of an answer book is to be torn out.
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University.
Johannesburg.
United States companies in South Africa are embarking on an ambitious programme to improve black standards in this country.

The improvements form part of the rapidly accelerating programme in terms of the Sullivan principles formulated by the Rev Leon Sullivan.


**MANAGEMENT**

In 1985, US firms in South Africa will:

- Train 3,000 blacks in management and supervision.
- Award 6,000 scholarships to students.
- ‘Adopt’ 1,000 schools with 700,000 pupils.
- Support 24 training centres, training 10,000 people.

Signatories to the Sullivan code have reached close to a 100 percent performance on desegregation and union recognition, essential components of the principles.

Mr. Purnell said that for the first time since progress reports were prepared in 1978, firms submitting reports on their progress in terms of the Sullivan code over the past year, will have to be certified by a public accountant.

He emphasized that while US companies employed only a small part of South Africa's work force, the Sullivan principles acted as a guide for other overseas companies as well South African companies to follow.

Several companies operate their own codes while some European firms follow the European Economic Community principles.

Mr. W H Magruder, chairman of a committee of task group chairman who heads various aspects of the Sullivan principles, said that in joint ventures with local firms; Gencor and Sanancor, these companies are progressing faster than us.
E Cape car plants to 'prepare to reopen'

Own Correspondent

Car manufacturers in the Eastern Cape are expected to begin preparing their factories for production today after a strike by more than 10,000 workers led to their plants being closed last week.

A spokesman for the manufacturers said they were making preparations following a statement by the general secretary of the National Automobile and Allied Workers' Union, Mr Freddie Sauls, during industrial council talks yesterday that workers were prepared to return to work.

Meanwhile, at least 4,000 workers, all Naawu members and mostly Ford workers, are expected to return to factories today after deciding to do so at a report-back meeting after yesterday's talks. The aim would be to assess the position and embark on further action as the situation demanded.

Naawu spokesmen said yesterday that at the talks the union had rejected management's ultimatum for a return to work by more than 10,000 workers from Ford, Volkswagen and General Motors before continuing discussions on a wage agreement. They said, however, that they had proceeded with wage talks after management had backed down on the ultimatum.

Meanwhile, Mr Rod Ironside, chairman of the Eastern Province Automobile Manufacturers' Association, said the employers had undertaken to advise the unions involved in the talks of 'the appropriate plant start-up schedules'.

Report-back meetings are still to be held with Volkswagen and General Motors employees. It is expected similar decisions will be taken to that taken by the 4,000 who attended yesterday's report-back meeting.
PORT ELIZABETH. — Several thousand eastern Cape motor industry workers who returned early today to the plants where they downed tools on Thursday, found the gates locked. They were told to leave until the companies could accommodate them again.

This follows a third round of Industrial Council negotiations yesterday where the wage talks which led to the strike again ended in deadlock. A union report-back meeting last night left workers confused about the exact state of affairs.

Before yesterday's industrial council meeting, Ford, General Motors and Volkswagen, said they were not prepared to negotiate further on wages while workers were on strike. However, at the council meeting yesterday, the union said that it had not sanctioned the strike and that they were there to talk wages.

Mr Jury Harris, the President of the National Automobile and Allied Workers Union (NAAWU) which represents the about 13,000 workers who downed tools, said today that employer representatives seemed unprepared for wage talks.

The employers stood by their offer of R2.50 minimum wages. The union was hoping they would negotiate on their moderated demand of an initial R2.50 minimum and a guarantee of R3.50 over 18 months.

The union refused to discuss the strike as it regarded the strike as spontaneous and not sanctioned by them.

At last night's report-back meeting, the workers said they wanted to return to work today, said Mr Harris.

The acting Executive Director of General Motors Mr Rod Ironside, said workers who turned up today had to be turned back as it took time to phase them in again and through new schedules.

It could take some days before the plants could be fully opened. Operations had to be re-started and other workers who were affected by the strike would have to be recalled first.

Further industrial council meetings were scheduled for Thursday and Friday, and it was likely that the council's dispute procedures would come into effect.

The Argus early today found close on 4,000 workers crowded outside General Motors where the factory gates had been firmly locked.
Motor 9th April 27/7/82

workers back but gates shut

ALBERT LEZION

PORT ELIZABETH — Several thousand motor workers turned up for work today for the second day, only to find the plant locked.

According to the president of the National Automobile and Allied Workers Union (NAAWU), Mr. Jerry Harris, and Mr. Roger Geno, chairman of the Volkswagen Shopsteward's Committee, the "entire" workforce of Volkswagen in Uitenhage — about 6,000 — arrived for work at 6 a.m. and were told that "limited production" would start tomorrow.

LOCKED

When the Argus visited the plant, workers said most of the workers had already gone home. About 200 workers were talking in small groups outside the factory.

At the Ford truck assembly plant, a few workers stood in groups at the locked gate. They said all the workers had arrived for work, but the security guards had told them to go home. They did not see any of the managerial staff.

"The workers are angry about being locked out," said one worker at Ford. "We're suffering. (Contd on Page 3, Col 3)"
Workers were trying to confuse the workers by locking the gates. "The workers were clear that they want to return to work. They decided at a meeting on Monday to return on Tuesday."

A reliable source said there were no workers at General Motors today.

Volkswagen said yesterday that it intended starting its plant gradually tomorrow and on Friday, and that it was hoping to be in full operation on Monday.

A new proposal on wage increases has been made by the three motor companies. Naawu officials have disclosed that the proposals were put at Monday's Industrial Council meeting between the employers and the union.
Meeting on motor men's strike ends in deadlock

BY STEVEN FRIEDMAN
Labour Correspondent

AN INDUSTRIAL council meeting called to resolve the pay dispute between Port Elizabeth and Uitenhage motor manufacturers and Foshuto's National Automobile and Allied Workers' Union ended in deadlock yesterday.

As a result, the council's dispute procedure would now come into effect, announced the chairman of the industrial council, Mr. Fred Ferreira.

This is the first step towards a legal strike or lock-out in the dispute, which has halted all vehicle production in the area over the past week.

Despite the deadlock, production resumed at Volkswagen's Uitenhage plant yesterday as the company opened its gate to allow in workers, who had downed tools last Thursday.

Employer sources indicated that full production is likely to resume at Ford's and General Motors' PE plants early next week. Limited production could resume at Ford today.

NAAWU officials, who were holding a series of meetings with their members last night to discuss the deadlock, could not be contacted.

All vehicle production in the area has been halted since last Thursday when at least 10,000 workers downed tools. NAAWU claims employers have been implementing a lock-out since the day after the strike. Employers deny this.

The council met twice yesterday in an attempt to resolve the pay dispute in which employers have offered a minimum of R2,15 an hour, NAAWU originally demanded R3,50 but it has since indicated it will accept much less.

No new wage proposals were made by either side and they are now formally in dispute. A legal strike or lock-out will not be possible before the end of this month — when the present wage agreement expires — at the earliest.

At Volkswagen yesterday a company spokesman said workers had returned to work staggered shifts, agreed with NAAWU shop stewards on Wednesday.

Ford and GM stayed closed. GM said it had told unions of its re-opening plans at yesterday's meeting, but did not reveal the plans. It is understood that full production is likely to begin again early next week.

Mr. Ferreira said Ford, which said it needed not re-open its plant until it received a NAAWU assurance that all workers would return, had not been given this undertaking yesterday.

But he said the motor company had told NAAWU it would re-open the plants if "substantial numbers of workers returned. However, because two of the company's four plants had worked on the day of the stoppage, some workers would have to return earlier than others to allow production in some areas to catch up.

It is expected that the plant could resume limited production today, with full production beginning early next week.
E Cape motor industry in deadlock

PORT ELIZABETH. — The Industrial Council for the Motor Industry in the Eastern Cape entered official dispute procedure yesterday afternoon when all parties in the negotiations on minimum wage levels for the industry acknowledged deadlock.

And last night at a National Automobile and Allied Workers Union (Naawu) report-back meeting on the talks — during which a recording device was found hidden in the folds of curtains in the hall — General Motors workers agreed to return to work on Monday.

The Volkswagen plant was reopened yesterday but Ford remains insistent that it will reopen only when the union informs it that the workers are prepared to return.

Strike

The General Motors, Volkswagen and Ford motor companies have been closed for a week following a strike last Thursday of more than 10 000 motor industry workers. The workers went on strike after the wage negotiations reached deadlock.

Unions officials said they yesterday repeated to management their argument that the decision to strike was not taken by the union but by the workers. The union officials on the IC are not prepared to discuss the return to work with management.

Their presence at the IC talks was purely to negotiate wages and working conditions on a specific mandate from the workers, said the officials.

During the report-back meeting someone in the audience noticed a bag hanging in the folds of curtains above the stage.
Dispute in car industry declared

PORT ELIZABETH. — The Industrial Council for the Automobile Manufacturing Industry in the Eastern Province has declared a dispute after holding two meetings in Port Elizabeth yesterday.

The council reached a deadlock in negotiating a new wage agreement to come into effect from the beginning of August.

The chairman of the council, Mr. Fred Ferreira, said the council would meet again on August 5 to determine whether to follow the path of mediation or arbitration.

'Disappointed'

Employers are disappointed that no progress was made at yesterday's meeting of the Industrial Council, a statement issued by the Eastern Province Automobile Manufacturers Association said.

Compared with the position in August 1981, the current offer for a Grade 1 employee represented an increase in basic wages of 19.4 percent (R1.80 to R2.15). Over the corresponding period the consumer price index increase was 16 percent.

Employers had guaranteed a further minimum across-the-board increase in February 1983 which starts at 10 cents for a Grade 1 employee. The effect of this adjustment was that a Grade 1 employee would receive, within a six-month period, an effective basic rate increase of 25 cents an hour, the statement said.

Improvements

Employers have offered the following improvements in general conditions of employment:

"Service leave to increase from a maximum of three days to six days.

"Separation payment — to be funded entirely by the employers — ranging from 10 days pay to a maximum 35 days pay.

"An increase in short term lay-off benefits in excess of 180 percent."

These offers are apart from an agreement to review the total grading structure, which could have enormous cost implications — to be carried by the employers. The employers believe their offer, seen with existing benefits, is amongst the best in the country. — Sapa
Ford strikers refuse to resume work.

PORT ELIZABETH. — Workers employed in the cut and sew department of the Ford Motor Company yesterday refused an offer to resume work because the Neave and truck plants were still closed.

The workers, all members of the National Automobile and Allied Workers' Union (Naawu), said they wanted all their colleagues to be allowed to resume work concurrently.

They rejected management's insistence that a day's production in the cut and sew department was necessary before the two plants could reopen.

Mr Dunbar Backnall, director of public affairs at Ford, said the company had reached an impasse with the workers.

Yesterday the Cortina and engine plants, staffed mainly by members of the Motor Assemblers and Component Workers' Union, reopened with high absenteeism on a limited production line.

The closure of the factory 10 days ago followed a strike by more than 10,000 Naawu members employed in the Eastern Cape motor industry over deadlocked Industrial Council wage negotiations.
Pory Elizabeth. - In spite of a warning of legal action to be taken against Ford Motor Company by the National Automobile and Allied Workers' Union (NAAWU), if the company did not open its gates to the union's members today, the two plants were still closed today.

Early today a huge crowd of workers gathered outside the two Ford plants, as they have done now for six successive days. However, according to reports, they were told by the company that only workers of two important departments - "cut and sew" and "parts and accessories" - could start to prepare the way for the rest at a later stage.

Refused

Yesterday they were also told that only a limited number of workers could start work at first. But they refused, insisting that all should return to work immediately.

By 9 am it was not clear whether the workers had dispersed.

Yesterday Ford was served with a lawyer's letter on behalf of NAAWU.

The letter says that in closing down the factory without declaring the employees from the factory premises your company has committed an act of lock-out as is defined in the Industrial Conciliation Act.

"Where there is a dispute in regard to the terms of a future agreement your company has no right to cease operations on condition that the factory will not be reopened until the dispute has been resolved.

"In the circumstances we are instructed to call upon you to re-open the factory at 7 am on the 27th instant, failing which our clients have no alternative but to move the Court to oblige you to do so."

Conceded

The letter said it appeared that when demands for new conditions of employment were made to the employers on behalf of the employees they were rejected. This was reported to the employees on the factory premises on July 15. As a result they downed tools.

"It is unequivocally conceded that this action constituted an illegal strike," it said.

No spokesman for Ford was available today, but the director of public affairs, Mr Dunbar Bucknell, said yesterday the company had reached an impasse with the workers.

Meanwhile, the Cortina and engine plants, staffed mainly by members of the Motor Assembler's and Component Workers' Union, have been working since yesterday on a limited production schedule.
Ford: Full production after concessions

Own Correspondent

PORT ELIZABETH.—Ford South Africa will resume full production today after apparent concessions by both workers and management regarding the company's reopening procedure.

Today's reopening of the Neave and truck plants follows resumed production in the "cut and sew" and "parts and accessories" departments yesterday morning. It also follows the delivery of an attorney's letter by Mr Fred Sauls, general secretary of the National Automobile and Allied Workers' Union (Naawu), to Ford management on Monday warning of court action if the factory did not reopen.

Ford management closed its plants after a strike by more than 10,000 Naawu members halted production at the three major motor manufacturers in the Eastern Cape on July 16.

The strike followed deadlock in wage negotiations in the Industrial Council for the Motor Industry in the area.

General Motors and Volkswagen resumed full production on Monday but Ford opened only its Cortina and engine plants, which are staffed mainly by members of the Motor Assemblers and Component Workers' Union of South Africa (Macwusa), who did not support the strike action.

The rest of the factory, where Naawu is in the majority, remained closed.

On Monday, the 72 cut and sew workers refused an offer to resume work, insisting that all their colleagues be allowed to resume work with them.

They rejected management's claim that a day's production in the department was necessary before the other areas could reopen.

Yesterday, however, they agreed to return to work after only the parts and accessories department workers had also been invited to resume work.
PORT ELIZABETH. — Production returned to normal at the four Ford motor plants yesterday after a two-week strike that led to the closure of all the company's operations.

The plants were closed on July 16 after a strike by about 3000 members of the National Automobile and Allied Workers Union (Naawu). Production was partially resumed at Ford's engine and Cortina plants on Monday.

The strike — which followed a deadlock in talks with the Industrial Council for the Motor Manufacturing Industry of the Eastern Cape — also led to the closure of the General Motors and Volkswagen plants in Uitenhage.

Production returned to normal at GM and VW on Monday after the companies had held talks with Naawu shop stewards. Workers in these two plants have refused to work overtime since their return.

Volkswagen's public affairs manager, Mr Rubin Eis, said workers in certain sections had refused to work any overtime.

Naawu's regional secretary, Mr Les Kettle, said the same applied at GM. A General Motors spokesman was not available for comment.

One of the demands made by the union was that all overtime work be voluntary.

Ford announced on Tuesday it would open all its plants yesterday, as the cut-and-sew seat section had produced enough material.

On Monday, Naawu delivered an attorney's letter to Ford saying the union would take the matter to court if the two plants did not re-open yesterday.

The chairman of Volkswagenwerk in Germany, Mr C Hahn, is visiting the Uitenhage plant.

He held talks with union shop stewards at the Volkswagen plant in Uitenhage yesterday. — Sapa
Car industry production disrupted

Own Correspondent
PORT ELIZABETH — Production was disrupted at Ford, General Motors and Volkswagen yesterday.

At Volkswagen in Uitenhage, 2,000 workers were sent home yesterday after repeated requests to them to resume work had been ignored, said Mr Bob Kernohan, press relations manager for the company.

Management had delivered an ultimatum to employees to get production up to "normally achievable production targets within an hour of starting their shifts this morning or face being sent home again.

Date
At General Motors, a shop steward claimed the company was yesterday faced with so many cars with missing or ill-fitting parts that it threatened to close the plant on Monday.

Degree/Diploma you are registered

Subject
He also said workers had claimed foremen were threatening them when they said they could not work overtime because of prior commitments.

Ford workers in the Neave and truck plants demanded their pay slips to know what they were to be paid during the factory's closure when they had been at the gates every morning available for work.

They were told they would receive their pay slips this morning.

The demand halted production in the trim section in the Neave plant for two hours.

The three companies were closed after production was halted by a strike on July 15 by more than 10,000 members of the National Automobile and Allied Workers' Union (Naawu).

Deadlock

The strike followed deadlock in Industrial Council wage negotiations for the motor industry in the Eastern Cape.

Volkswagen's closures came after workers in the press and body shops downed tools.

A shop steward said the workers had said they wanted management to accede to Naawu demands.

The union is demanding an immediate R2.50 an hour minimum wage with an eventual R3.25 rate.

Management has offered a R2.15 hourly minimum.

Every candidate must enter in column (1) the number of each question answered (in the order in which it has been answered); leave columns (2) and (3) blank.

<table>
<thead>
<tr>
<th>Internal</th>
<th>External</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
</tr>
</tbody>
</table>

Examiners' Initials

NOTE CAREFULLY

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.

2. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.

3. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.

4. Do not write in the left hand margin.

WARNING

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.

2. Candidates are not to communicate with other candidates or with any person except the invigilator.

3. No part of an answer book is to be torn out.

4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University.
The battle for a ‘decent living wage’

A key issue raised in the recent strike by more than 10,000 motor workers and the subsequent closure of three Port Elizabeth motor companies for nearly a week after the workers had decided to return to work is that of a "decent living wage".

PHILIPPA GREEN, The Argus Labour Reporter, reviews the recent motor strike in Port Elizabeth

said that while the report of the record car sales had been correct, the market had been made "artificially high" through incentive programmes and discount schemes.

But the workers disagree.

"The employers are talking now about a downturn in the economy, but when there was a boom they did nothing to uplift the living standards of the workers," said Mr R Gamomo, chairman of the shop-stewards committee at Volkswagen.

Naawu has alleged that motor employers are co-operating on a national basis to crush the union.

A further complication in the dispute between Naawu and the employers has been the attitude of the previously militant Motor Assembly and Components Workers' Union (MACWUSA), which represents part of the workforce.

MACWUSA has refused to support the Naawu workers in their wage demands. About 1,300 MACWUSA members manned the engine and Cortina plants on Monday and Tuesday this week before Naawu and Ford agreed on procedure for a return to work by the Naawu workers.

A MACWUSA spokesman said the reasons for the refusal to support Naawu were:

- The fact that the conflict erupted after a breakdown in Industrial Council wage talks. MACWUSA rejects the Industrial Council system as "an apartheid vehicle geared to please management".

- Naawu had not supported MACWUSA in strikes last year at Ford, General Motors and Firestone.

- Naawu members had stopped work for only five minutes during the half-hour work stoppage to mourn the death of trade unionist, Dr Neil Aggett, in spite of a call by Naawu's mother body, FOSATU, to support the stoppage.

FOSATU has accused MACWUSA of being an "opportunistic" union which has been used by the employers to weaken and divide the majority of workers.

On August 5, the Industrial Council will meet to discuss ways of resolving the formal dispute that was declared last week. There is little chance that there will be agreement on the manner of resolution.
Closure of plants a 'lockout'

Argus Bureau

PORT ELIZABETH. — The closure of plants by Ford, General Motors and Volkswagen for more than a week last month after a strike by about 11,000 workers was "an illegal lockout," according to the deputy general secretary of the Steel and Allied Industries Union, Mr. H. Ferreira.

The union, one of the more conservative white unions, is negotiating on wages and working conditions at the industrial council for the motor manufacturing industry of the Eastern Cape, which meets today.

Also represented are the three companies and the National Automobile and Allied Workers' Union (Naawu).

Mr. Ferreira said his union had asked the employers to pay its members for the period the plants were closed. Its members did not take part in the strike on July 15 by members of Naawu.

Naawu has also demanded payment for the period the plants were closed.

The manufacturers refused to pay the steel union's members for time not worked. The union has demanded that the matter be discussed at today's meeting.
WHEN?

Advertisement in Cape Times Classified. Hit your price if you want it! First thing in the morning.

Cape Town English Daily Newspaper within sight.

Times Classified

More E Cape motor plants hit by strikes

PORT ELIZABETH — The current wage dispute in the motor industry in the Eastern Cape was further highlighted yesterday when the assembly section of the General Motors plant, the truck plant at Ford and the whole of the Volkswagen plant closed.

A statement issued by the National Automobile and Allied Workers' Union (Naawu) yesterday indicated that the union might withdraw from the Industrial Council if the dispute was referred to arbitration.

The council meets today to discuss the procedure it will adopt to resolve the deadlock in negotiations.

At Ford yesterday the truck plant was closed after workers downed tools in protest at a company bulletin which was posted in the plant detailing management's wage offer at the IC talks.

A shop steward said the workers saw this as provocation and believed it indicated that the company would insist on its offer of a R2.15 minimum hourly wage when the IC talks resumed today.

Volkswagen was closed "until further notice" on Tuesday after a week-long go-slow affected production so badly that the company announced it was no longer able to operate economically.
PORT ELIZABETH: — After three weeks of major disruptions in the Eastern Cape motor industry, the peaceful strikes took an ugly turn today when fighting broke out between workers at the giant Ford Neave plant.

Authoritative sources reported that striking Ford workers were involved in brawls with workers who wanted to continue their jobs.

A later report said knives were used in the fighting, and that 11 people were injured, but not seriously, and that they were being treated at the company's first-aid department.

The police liaison officer for the Eastern Cape, Major Gerrie van Rooyen, confirmed that police were on standby outside the Neave plant, including a contingent of the riot unit (riot squad).

Meanwhile, the Neave plant was said to be on the point of closing because of walkouts there today, the Ford truck plant was closed early and the General Motors plant at noon today.

With the Volkswagen plant closed since Tuesday, this brings the number of closed motor industry plants in Port Elizabeth and Uitenhage to a confirmed three, with another pending and walkouts of numbers of workers also reported at a Ford plant at Strandale.

EVADED

An authoritative spokesman said that shortly before noon, a group of workers who had walked out at Ford's Neave assembly plant, had evaded security personnel by climbing over a fence.

Inside the premises, argued with workers who would not leave their jobs and fighting broke out, resulting in five people being injured and treated in the first-aid department.

All Ford's top executives were said to be at the Neave plant in an attempt to "sort things out".

A spokesman for General Motors confirmed that the company has closed production to section when workers walking off their job "made it impossible to continue".

The workers had collected their pay before noon, when downing tools.

At three report-back meetings last night, several thousand members of the National Automobile and Allied Workers Union (NAAWU) employed at three motor companies rejected outright the new wage offer made by the companies at yesterday's Industrial Council talks.

The council, which is negotiating an agreement for the motor industry in the Eastern Cape, and is formally in dispute, the talks, adjourned until Monday for the union to take the offer to members.

Workers were told that the employers had offered R2.20, minimum wages — 5c more than their previous offer.

The union is demanding an immediate R2.50 an hour minimum with six monthly increases of 25c to an eventual R3.50 an hour.

The national secretary of NAAWU, Mr Fred Sauls, said today that the union would not accept arbitration on mediation as a further procedure to try to resolve the issue as it did not want another party to decide on the matter.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University.
Naawu rejects new wage offer

Own Correspondent

PORT ELIZABETH. - Several thousand members of the National Automobile and Allied Workers' Union (Naawu) employed at Ford, General Motors and Volkswagen last night rejected outright the new wage offer made by the companies at yesterday's Industrial Council talks.

The council, which is negotiating an agreement for the motor industry in the Eastern Cape and is formally in dispute over the wage talks, was adjourned until Monday for the union to take the offer to its members.

At the three Naawu report-back meetings on the talks, workers were told that the companies had offered a R2.20 minimum hourly wage — five cents more than their previous offer.

The union is demanding an immediate R2.50 hourly minimum with six-monthly increments of 25 cents to an eventual R3.25 hourly minimum at the end of two years.

A severance pay offer was rejected by all three meetings on the grounds that it did not make provision for workers with less than two years' service to the companies.

At the General Motors and Volkswagen meetings, workers accepted a management proposal for "lay-off" pay which would provide workers with scaled guaranteed annual payment if they should have to work short-time during the year.

Ford workers rejected this proposal.
CRUCIAL WEEK AHEAD FOR MOTOR INDUSTRY

PORT ELIZABETH — The troubled Eastern Cape motor industry will be largely at a standstill next week, and thousands of workers may lose their jobs if the situation is not resolved at an industrial council meeting on Monday.

More than 2,000 workers in other industries here have lost their jobs in the past two days through strike action.

A motor industry official, who asked not to be named, said the employers were likely to set ultimatums next week for strikers to work or lose their jobs.

A spokesman at another company said only that it would regard it in a "very serious light" if employees did not return and work normally next week.

Already, more than 15,000 workers are idle at Eastern Cape factories, two major factories are closed and at least three others have been operating at less than half their production capacity.

The managing director of Volkswagen, Mr Peter Searle, yesterday told a conference in Johannes-

Weekend Argus Report

Go-slow action which paralysed Volkswagen for most of this week has been attributed to workers wanting in-plant wage talks. The company is reopening some sections of its plant on Monday and is hoping to be in full production on Tuesday.

Ford will open its gates on Monday. The company closed its truck plant for two consecutive days this week and many workers dowled tools in its three other plants.

General Motors, closed at noon yesterday because of the "walkout" said it was believed the plant would remain shutdown on Monday.

Thousands of members of the National Automobile and Allied Workers' Union (Naawu), rejected an improved wage offer from employers this week.

The white S.A.I.U. and Allied Industries Union said it believed it could get its members to accept the wage offer.

The employers are now offering R2.20 an hour on their minimum scale — an extra five cents. Naawu is demanding R2.50, with six monthly increments of 50c to an eventual
Kaplan: Student bodies shocked

Staff Reporter

STUDENT organisations have expressed their shock and condemnation of the deportation on Wednesday of UCT postgraduate student Mark Kaplan.

Immigration officials, and members of the security police, gave Mr Kaplan, who was detained for 51 days last year, an hour's packing before putting him on an aircraft to Zimbabwe.

The UCT Community Video Resource Association (CVRSA), of which Mr Kaplan was a co-ordinator, released a statement yesterday protesting "in the strongest possible form"

"His deportation amounts to conviction without trial. It implies guilt, where there is none of an offence for which the State has no name, after imprisonment for no reason."

Video shows

His only crime had been to help produce video documentaries on Cape Town on such issues as poverty, TB and education, the statement said.

The Nissan head office called the deportation an "underhand means by which the State removed so-called undesirable aliens". It was a method used by a "fearful, riddled government" unable to cope with opposition.

The South African Society of Journalists yesterday condemned the deportation as a "sinister attack on the media and the free flow of information."

Leading article, page 8

Motor plants close as men down tools

Own Correspondent

PORT ELIZABETH - Almost the entire workforce at General Motors walked out yesterday and Ford's Neave and truck plants were closed after workers had downed tools.

A number of workers at Ford's Cortina and engine plants also downed tools, but Mr Fred Ferreira, director of industrial relations at the company, said production in those plants was continuing and a skeleton staff would be brought in to man the other sections of the factory essential to their operation.

The closure of the plants follows a repeatedly disrupted production at the three motor firms currently facing a wage dispute in the Industrial Council for the Motor Manufacturing Industry in the Eastern Cape.

Ford, GM and Volkswagen — which has been closed since Monday — are trying to reach an agreement with the National Automobile and Allied Workers' Union (Naawu) and the SA Iron, Steel and Allied Workers' Union to replace an agreement which expired at the beginning of this month.

Fighting

At report-back meetings on the Industrial Council talks on Thursday, thousands of Naawu supporters rejected the companies' new wage offer.

At the Neave plant yesterday fighting broke out between workers who had downed tools and those who wished to continue working. A reliable source said 11 workers were injured, some with knife wounds.

However, neither Mr Ferreira nor a spokesman for Naawu was able to confirm this.

Major Gerrie van Rooyen, police press liaison officer for the Eastern Cape, confirmed that the worker's reaction unit had been deployed at the Neave plant but said this was not at the request of the company.

The policemen had been present in case the workers spilled into the street from inside the plant in case a public disturbance was created.

'Compelled to close'

At GM, thousands of workers left the plant after being paid and went home.

Mr Peter Sullivan, public relations manager for the company, said the company was "compelled to close" when workers walked off the job and made it impossible to continue normal production.

He said the company was not in a position to give details of the number of people who walked out.

Meanwhile, Volkswagen announced yesterday after discussions with shop stewards that it would reopen most of its Uitenhage plant on Tuesday.

A company spokesman said more than 75 percent of the workforce would start on Tuesday in order to enable full production to begin on Wednesday.

A union spokesman confirmed the decision had been reached after discussions with management.
PORT ELIZABETH. — Ford, Volkswagen, which closed its Uitenhage plant early last week, announced today that after consultation with worker representatives it intended to open partially tomorrow and fully on Wednesday.

It has been learnt that the three employer companies — Ford, General Motors and Volkswagen — would not improve their latest wage offer.

This offer, made on Thursday after a series of deadlocked council meetings and major work disruptions, has been rejected by the National Automobile and Allied Workers Union (Naawu).

More than 10000 Naawu members have sporadically disrupted the industry here in the past three weeks.

On Friday, after report-back meetings, thousands of them walked out again at General Motors and Volkswagen, which closed its Uitenhage plant early last week, announced today that after consultation with worker representatives it intended to open partially tomorrow and fully on Wednesday.

PORT ELIZABETH. — Ford, Volkswagen, which closed its Uitenhage plant early last week, announced today that after consultation with worker representatives it intended to open partially tomorrow and fully on Wednesday.

It has been learnt that the three employer companies — Ford, General Motors and Volkswagen — would not improve their latest wage offer.

This offer, made on Thursday after a series of deadlocked council meetings and major work disruptions, has been rejected by the National Automobile and Allied Workers Union (Naawu).

More than 10000 Naawu members have sporadically disrupted the industry here in the past three weeks.

On Friday, after report-back meetings, thousands of them walked out again at General Motors and Volkswagen, which closed its Uitenhage plant early last week, announced today that after consultation with worker representatives it intended to open partially tomorrow and fully on Wednesday.
Naawu pulls out of negotiations

**G. Correspondent**

**DURBAN.** — The National Automobile and Allied Workers Union (Naawu) delegation yesterday walked out of the Eastern Cape motor industries' Industrial Council meeting and the union has withdrawn from present negotiations.

Naawu organizer Mr. Les Kettleidas said: "As talk turned to whether the council should now apply for arbitration, we made our position clear that we would not be party to such a decision."

Volkswagen and General Motors remained closed yesterday and Naawu members at Ford did not report for work.

**New offer**

A formal dispute was declared last month and the resulting Industrial Council meeting adjourned last Thursday when employers made a new offer of R2.20 an hour, 5c up on their previous offer.

Naawu has demanded an immediate R2.50-an-hour minimum wage with a six-monthly increase up to an eventual R3.25.

When the council reconvened, the union reported its members' rejection of the employers' new offer.

"Employers said they were not in a position to increase the offer and no further negotiation took place on the issue," Mr. Kettleidas said.

The employers and the SA Iron and Steel Workers Union then decided to settle for arbitration and the Naawu union delegation withdrew from the council, he said.

Mr. Kettleidas said the union had withdrawn because "we felt this was not the proper course of action to take, as it should have been settled between the parties concerned."

General Motors announced that its plant would not re-open till tomorrow. This followed Friday's walkout by the entire workforce.

At Volkswagen preparations were being made to open certain departments today. The Uitenhage plant shut down early last week following a go-slow by workers.

A company spokesman said the decision to re-open the plant had followed discussions with employee representatives. Production should be back to normal tomorrow, he said.

At Ford, the industrial relations manager, Mr. Fred Ferreira, said all the plants were operative but there was a "fairly high" worker absenteeism.

According to worker reports only Ford's Cortina and engine plant were in full production.
10-day closing for Ford plants

Correspondent
PORT ELIZABETH — The Ford Motor Company yesterday announced that all its Port Elizabeth plants would be closed until August 20, after workers at the company’s Neave plant had downed tools and walked out at midday.

Reaction Unit police in camouflage uniforms were stationed at both Ford and General Motors yesterday and workers emerging from the Neave plant were told their gathering on the pavement outside the plant was illegal. They were given two minutes to disperse.

Workers said they walked out yesterday in protest at the firing of six of their colleagues and the suspension of a seventh on Monday.

Ford’s director of industrial relations, Mr Fred Ferreira, confirmed the dismissals saying the six had been fired for "their participation in the hooliganism at the plant on Friday".

He could not confirm the suspension of the seventh man.

It was reported on Friday that fighting between workers who downed tools and those who wished to continue their shifts had resulted in 11 people being injured.

However, the National Automobile and Allied Workers’ Union (Naawu) said earlier this week that efforts to confirm the alleged acts of violence and intimidation had been unsuccessful.

'Saw no acts'

Workers interviewed said they did not know of anyone who had been injured on Friday and said they had not witnessed acts of violence.

The whole factory was closed last month after deadlock in wage negotiations in the Industrial Council for the motor-manufacturing industry in the Eastern Capehad sparked off a strike by more than 10,000 Naawu members.

The Volkswagen and General Motors plants were also closed.

Production had repeatedly been disrupted since the three companies reopened.

Mr Ferreira said Ford would be closed today 'as a result of work stoppages'. It would reopen on August 20.

Holiday pay

About 5,000 hourly workers affected by the closure would receive three days' holiday pay, he said.

At General Motors yesterday, several hundred people arrived for work to find the gates closed.

A Naawu spokesman said there was confusion about the reopening of the plant, which closed on Friday, because the union had not had time to react to its members after being informed by management on Monday that the plant would reopen only today.
Sackings: CM plant shut again

Own Correspondent
PORT ELIZABETH — General Motors again closed its Port Elizabeth plant yesterday after workers downed tools in protest at the firing of 17 colleagues.

It had reopened yesterday morning after three days of closure followed the downing of tools on Friday.

Mr Peter Sullivan, the firm's manager of public relations, said the company had taken "disciplinary steps against certain employees," following "incidents of intimidation and/or violence and damage to company property." He said the company intended to have two separate studies examining the company's policies in response to the incident.

NRP scoffs at PFP optimism

Political Correspondent
THE New Republic Party yesterday rejected as "far-fetched" Progressive Federal Party's claim of 260 constituencies in which it could compete with the PFP's 60 seats. The NRPP considered it a "far-fetched" goal, given the PFP's established presence in the country.

"When South Africa is starting to realize that the NRP has the only practical plan for power-sharing, we believe our time for growth has arrived," he said.

He was reacting to a statement by the Leader of the Opposition, Dr Van Wyk Slabbert, who had described the NRP's 60 seats as "the number of seats a small group like this can expect to win".

"We are not in the same league," Mr Wyk said. He said the NRP had considered the country's political landscape and had concluded that there were limits to its electoral potential.

Blast on airliner kills boy

HONOLULU — An explosion believed to have occurred under a passenger seat killed a 5-year-old boy and injured four other passengers just before a Pan American World Airways Boeing 747 airliner landed in Honolulu yesterday, airline officials said.

Of the nine people injured in the explosion, four were Japanese.

The jumbo jet, carrying 270 passengers and 15 crew from Tokyo, was flying at 8,000 metres when the explosion occurred.

The inside of the aircraft was badly damaged and air pressure dropped. The pilot landed the aircraft safely in Honolulu 23 minutes after the explosion, the officials said.

Police and the FBI are investigating whether the explosion was caused by a device placed on board the airliner.

The aircraft, flight 830, had been scheduled to continue to Los Angeles.

A large crowd of supporters greeted last night's explosion reports with raucous approval and blowing of horn honking at the airport as the plane taxied to the terminal.

A large crowd of supporters greeted last night's explosion reports with raucous approval and blowing of horn honking at the airport as the plane taxied to the terminal.

Hampshire, Johnstone los Divco seats

By JANE ARBOUS Municipal Reporter

The New Republic Party yesterday rejected as "far-fetched" Progressive Federal Party's claim of 260 constituencies in which it could compete with the PFP's 60 seats. The NRPP considered it a "far-fetched" goal, given the PFP's established presence in the country.

"When South Africa is starting to realize that the NRP has the only practical plan for power-sharing, we believe our time for growth has arrived," he said.

He was reacting to a statement by the Leader of the Opposition, Dr Van Wyk Slabbert, who had described the NRP's 60 seats as "the number of seats a small group like this can expect to win".

"We are not in the same league," Mr Wyk said. He said the NRP had considered the country's political landscape and had concluded that there were limits to its electoral potential.

"Whoops of joy and congratulations from election results greeted Mr Stuart Collins of Ivan Hampshire. The first to hug Mr Collins' wife,"

Hampshire, Johnstone los Divco seats

Two long-standing national councillors, PV Harrison Hampshire and Mr Johnstone were defeated in yesterday's election while two newcomers, Mr Tony Powell and Mr Peter Machin, entered the council.

The union walked out of negotiations in the Industrial Council for the Motor Manufacturing Industry in the Eastern Cape on Monday when it was decided to refer the dispute to arbitration.

A large crowd of supporters greeted last night's election results with raucous approval and blowing of horn honking at the airport as the plane taxied to the terminal.

A large crowd of supporters greeted last night's election results with raucous approval and blowing of horn honking at the airport as the plane taxied to the terminal.

A large crowd of supporters greeted last night's election results with raucous approval and blowing of horn honking at the airport as the plane taxied to the terminal.

A large crowd of supporters greeted last night's election results with raucous approval and blowing of horn honking at the airport as the plane taxied to the terminal.

A large crowd of supporters greeted last night's election results with raucous approval and blowing of horn honking at the airport as the plane taxied to the terminal.
Ford lays off 507 workers

Own Correspondent
PORT ELIZABETH — Ford South Africa retrenched 507 hourly-paid workers yesterday — approximately 11 percent of its hourly workforce — because of South Africa's "worsening economic situation."

The workers knew only yesterday of the retrenchments when they received letters thanking them for their services to the company with their pay packets.

The letters told them all money owed to them would be included in the packet, as well as a day's payment in lieu of notice.

While the retrenchments affect workers in all the company's plants, the majority are from the Neave plant which has the greatest number of employees.

Police
At Neave yesterday morning workers were paid through the fence while several police vans with Reaction Unit policemen in camouflage gear were parked outside. No incident were reported at any plant.

Last night the National Automobile and Allied Workers Union (Naawunual) warned that the reaction of workers to the retrenchments "could not be expected to be passive and without resistance."

Shareholders
A statement issued by the union said that Ford had shown it protected the interests of its shareholders "irrespective of the repercussions on human life or the effects on any country it operates in."

In a statement issued yesterday the company said it had put off retrenchments for "as long as possible" through working short-time and by not replacing workers who left. This could no longer be considered "because of the impact on workers' incomes."

GM, VW
Mr Peter Sullivan, manager of public relations at General Motors, said yesterday the company had "no plans for any lay-offs."

Volkswagen's manager of public affairs, Mr Ruben Eis, said the company had "no definite plans for retrenchments at this stage."

A Naawunual spokesman said yesterday GM management had agreed to meet with union representatives to discuss a procedure for investigating the dismissal of 17 workers on Monday. They were fired for their alleged participation in acts of violence and intimidation.

He also said a general meeting of Ford workers would be held on Tuesday on the retrenchments...
R42-million lost in motor strikes

Own Correspondent

PORT ELIZABETH — Two of the three strike-ridden Eastern Cape motor manufacturing giants, have together lost about R42-million in revenue and production and 11,400 workers have lost about R2-million in unpaid wages since the start of the troubles on July 15.

These figures were released by spokesmen for Ford in Port Elizabeth and Volkswagen in Uitenhage yesterday.

General Motors, which has 4,000 hourly-paid workers, declined to supply figures but said that the effect on families in loss of earnings through work stoppages was of particular concern to the employers.

GM's assistant managing director Mr Rod Inns said that despite repeated appeals for responsible action and a realistic approach compensation, the economies of the situation were not being viewed on a rational basis.

Volkswagen's public affairs manager, Mr Ruben Eis, said that with R56,000 as the daily pay packet for the company's 6,000 hourly-paid workers, unpaid wages totalled more than R1-million in 12 working days lost from July 15 to Tuesday this week.

Mr Eis said that over the 12 days the company had lost R24-million in production and turnover.

Ford's public relations officer, Mr Harry Hill, said the company was working on a figure of R100,000 a day for its 5,400 hourly-paid workers.

In nine lost working days and six days of interrupted production, workers had lost about R1-million in wages.

The figure did not include Ford's present closure from Wednesday this week to August 20 during which workers would get three days' holiday pay.

With daily revenue losses estimated at about R2-million, the company had lost R18-million in the nine days' shutdown.

He expressed particular concern for the large number of workers who were compelled to lose earnings because of the actions of others.

Inevitable industrial consequences were that manufactured products had not been curtailed and sales lost.

Production resumed at General Motors yesterday, says reports, leaving only Ford's Port Elizabeth plant closed after a strike, go-slow and walkouts in the Eastern Province motor manufacturing industry during the past month.

General Motors closed on Wednesday after workers downed tools when 18 employees were dismissed in connection with alleged assaults and damage to company property on Friday.

At Volkswagen, production returned to normal yesterday after the Uitenhage plant had closed last week when workers started a go-slow.
Union says sackings raise conflict chance

Weekend Argus Bureau
PORT ELIZABETH — The mass retribution at Ford this week is seen by workers as an attempt to strengthen them in calling for further strikes, but it has raised the conflict potential.

This was said today by the secretary of the National Automobile and Allied Workers' Union (NAAWU), Mr Fred Saulis. His union's members have in the past been responsible for an unprecedented wave of strikes in the Eastern Cape motor industry related to a protracted wage dispute.

Mr Saulis said that the motor manufacturers in the Eastern Cape were there for the well-being of the community. Ford had shown it protected the interests of its shareholders irrespective of the repercussions on 20,000 workers on the human life or the effects on any country it operated in.

Irrespective of the workers' decision, NAAWU would take up with management the lay-offs and the sackings of six Ford workers and 17 General Motors workers for alleged "molestation" of other workers, he said.

The sackings led to walkouts at both plants early this week. Ford then closed its operations until August 20, but General Motors has remained open.

NOTE CAREFULLY

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.

2. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.

3. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.

4. Do not write in the left hand margin.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University.

WARNING

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.

2. Candidates are not to communicate with other candidates or with any person except the invigilator.

3. No part of an answer book is to be torn out.

4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.
Union in bid to prevent layoffs

Argus Burea

PORT ELIZABETH. — The National Automobile and Allied Workers Union (NAAWU) has been negotiating with the Goodyear Tyre and Rubber Company in Uitenhage in an attempt to prevent the layoff of 76 employees.

The local secretary of the Federation of South African Trade Unions (Fosatu), of which NAAWU is an affiliate, Mr M Sam, said today Goodyear had told shop stewards it planned retrenchments soon.

The number of workers who would be affected had not been specified, but the union had been told by Goodyear the company had about 75 surplus employees.

Four employees have already been laid off this month.

Some departments in the Uitenhage plant had been working a four-day week since July and some had changed from a "swing shift" to a five-day week in an attempt to avoid retrenchments.

"We have met company representatives and suggest Goodyear should freeze employment, eliminate overtime work and not replace employees whose services have been terminated or who have resigned," Mr Sam said.

The company had accepted these proposals.

Goodyear's personnel manager could not be contacted for comment.
PORT ELIZABETH: Ford, General Motors and Volkswagen workers have condemned statements by the leader of the Labour Party, the Rev Allan Hendrickse, that their union does not have community support for its wage demands.

In another development, a meeting of Ford workers decided yesterday to return to work on Friday if the company reinstated 507 workers it retrenched last week.

Mr. Hendrickse was reported to have said the National Automobile and Allied Workers' Union leadership was "abusing strikes as a weapon" and did not have community support for its "high demands".

The Ford company has closed its Port Elizabeth operations for 10 days until Friday because of repeated work stoppages after a breakdown in wage talks.

At yesterday's meeting, workers rejected the retrenchments and demanded that those paid off be reinstated. — Sapa
400 workers walk out at Ford

Own Correspondent

FORT ELIZABETH — About 400 Ford workers walked out shortly after the company had re-opened its Fort Elizabeth plants yesterday after a 10-day closure.

Ford, which together with General Motors and Volkswagen is involved in a wage dispute with the National Automobile and Allied Workers Union (Naawu), closed its plants last week because of continued disruption of production.

Ford's public relations officer, Mr Harry Hill, said "enough workers to resume normal production" had turned up at their Neave, Cortina and engine plants but workers at Struandale and the truck plants would not start work.

Mr Hill said they had given no indication why they would not start work.

Naawu's regional secretary, Mr. Les Kettlehead, said all the Ford workers had refused to start work yesterday morning and demanded re-instatement of 507 workers retrenched last week. He said workers had only started work when company officials threatened them with dismissal.

The workers who walked out would return to work on Monday and further action would be discussed at a general meeting next week.

Both Naawu and the Motor Assembly and Component Workers Union of SA — which refused to participate in last month's Naawu strike — have demanded reversal of the retrenchment decision.
Workers reject interim pay rise

Argus Bureau.

PORT ELIZABETH. — Workers who have in recent weeks staged work stoppages at the three Eastern Cape motor firms last night rejected an offer by employers for an interim wage increase until the wage dispute deadlock here has been resolved.

However, attendances at the trade union report-back meetings of Ford and General Motors workers were low compared to previous meetings.

Some observers see this as an indication that there is a break in their unity.

R2.50 AN HOUR...

About 1 000 workers attended the Ford meeting, including about 100 from the giant Nevve plant which has been the centre of labour unrest.

About 500 were at the General Motors meeting and thousands of Volkswagen workers met in Uitenhage.

The workers last night reaffirmed their demand for an immediate R2.50-an-hour minimum hourly wage, which is an effective 50c increase on the minimum scale.
Labour unrest: Car plants hold up expansion plans

PORT ELIZABETH, June 26 (Reuters) - The uncertain labour situation at Volkswagen's East London plant in the Cape Province has led to a multimillion rand delay in an expansion programme for the factory.

At the same time, both the automobile and the iron and steel industries have been hit by the labour unrest, and the South African Steel and Engineering Industries (SARIE) has reported a 30 million rand delay in the expansion of a new steel plant.

The delay at Volkswagen's East London plant is due to the labour unrest, which has affected production at the factory for the past few weeks.

The unrest started last week, when about 500 workers went on strike over a wage increase of 25 per cent.

The strike has since spread to other plants in the region, and the government has been forced to intervene to try to find a solution.

The strike has caused production to fall by 20 per cent, and the company has been forced to lay off about 1,000 workers.

The government has threatened to impose a state of emergency if the strike continues, but the workers have shown no signs of any intention to return to work.

The company has announced plans to invest 300 million rand in the East London plant, but the delay in the expansion is likely to cost the company millions of rand in lost production.

The delay is also likely to affect the company's ability to meet its targets for the next financial year.

The company has been forced to cut production plans, and the delay in the expansion is likely to cause further problems.

The government is currently negotiating with the union to try to find a solution to the strike, but so far, there has been little progress.

The strike has caused a significant amount of harm to the company, and it is likely to have long-term effects.

The company has stated that it will continue to negotiate with the union to try to find a solution, but it is clear that the strike has caused significant damage to the company's operations.
MEMBERS of the Chemical Workers Industrial Union (CWIU) at Colgate-Palmolive in Boksburg yesterday called on the company to account for the presence of Security Police during their protest march on Wednesday.

The workers said that when they were taking a petition to management on Wednesday special branch police were seen parked in the visitor's car park.

The industrial relations officer for the company denied any knowledge of their presence.

A statement released by the workers said: "Management neglected decisions taken at a meeting with worker leaders. This caused grave dissatisfaction among workers who then decided to draw up a petition and took it to the personnel department themselves. The direct causes involve several minor and two major grievances which are a violation of the recognition agreement entered into by management and the CWIU."

The two major grievances were:

- Management doubled its operations in the boiler house but had refused to acknowledge pleas from the boiler attendants to take on additional labour.
- A fellow member, who had been operating a plant for the last three years, had been transferred to a lesser position on the grounds that he was nervous. This was done in favour of a non-union member.
TYCOON Q U I T S
A F T E R C H U R C H
S T O R M O N S A

Weekend Argus
Correspondent

LOUISVILLE (Kentucky) — Dr. L Milton Woods, executive vice-president of the
Mobil Oil Corporation, resigned as treasurer of the 3-million-member Lutheran
Church of America (LCA) last night.

He did so after the Lutheran convention
called for withdrawal
of investments from
companies and banks
doing business with
South Africa.

DECISION-MAKER

Dr. Woods, who had
been church treasurer since 1972, told
the assembled delegates he was resigning as a
matter of conscience, saying it would be inconsistent
to remain in office when Mobil did substantial business with
South Africa and had more than 1,000 employees in South
Africa.

"You have directed a separation of this church from companies with holdings in
South Africa. You should know that I am one of the chief decision-makers in
one such organization," he said.

Mobil has had an equal employment opportunity policy in South Africa as far
as possible, "paying black employees salaries equal to comparable white salaries,"
Woods told them.

He also said the church had an affirmative action program that had promoted
themselves to supervisory and managerial positions over whites.
You should know that one of the chief decisions made at the convention of the Lutheran Church in America was the approval of a resolution calling on the church's executive committee to consider disinvesting in South Africa.

The resolution, introduced by Mr. Woods, the executive vice-president of Mobil Oil Corporation of America, was supported by the Standing Committee on the Constitution, the convention committee, and by 19 of the 21 regional church boards.

Mr. Woods explained that the resolution was drafted after he had discussed the issue with church officials, including himself.

The resolution was passed with a vote of 1,000 in favor and 500 against.

The vote was taken by secret ballot, and the results were announced by the chairman of the convention.

The resolution calls on the church to consider divestment from South Africa and to explore other ways to support human rights and democracy in the country.

The resolution was met with both support and opposition from members of the church.

Supporters argued that the church should be a leader in the fight against apartheid, while opponents argued that the resolution would harm the relationship between the church and South Africa.
Skills shortage ‘forcing new look at SA laws’

NEW YORK – South Africa’s severe shortage of skilled labour is forcing the country to re-examine its repressive laws, the influential Wall Street Journal reports.

In an article in America’s largest circulation national daily, associate editor Thomas J Bray writes that the skills shortage is one of the most striking aspects of the South African economy, and is both good and bad news for the country.

Mr Bray recently visited South Africa for three weeks and interviewed prominent South Africans, including business leaders and economists.

LIBERTIES

He writes that the shortage of skilled staff is bad news because it reflects decades of apartheid in which blacks were stripped of political and economic liberties by whites, restricted in many ways where they could live, denied equal access to training and education, prevented from holding higher paying jobs reserved for whites and deprived of property and voting rights.

SPENDING

Spending on black education and training is soaring, wages are rising and trade unions are being allowed, he says. However, adds Mr Bray, “it is debatable whether anything fundamental has changed or is likely to simply be a result of economic forces.”

South Africa, he says, is a democracy for its whites and a police state for its blacks.

The pass laws, Group Areas Act and security legislation that give the white minority almost total control remain a dismal fact of life.

CHANGE

But there has been political movement, and much of it has been driven by the economy.

In spite of the backlash against modest steps taken by the Government, most observers believe there has been a fundamental change, “if not in the political structure, then at least in the climate of opinion.”

Mr Bray says sections of Soweto would do well to affiliate suburban anywhere in the world, but it is not easy to for...

Examiners’ Initials

WARNING

No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.

Candidates are not to communicate with other candidates or with any person except the invigilator.

No part of an answer book is to be torn out.

All answer books must be handed to the commissioner or to an invigilator before leaving the examination.
In the light of the 1979 amendments to the Industrial Conciliation Act, could you please indicate if your union has made any application for extensions in scope. If so,

a) where
b) to whom
c) for what additional duties

d) has this been granted

e) if so, when...
During the past five years, Colgate Palmolive in Boksburg has channelled almost R90,000 into the three East Rand schools it has adopted.

The schools are the Bafo-Shiko lower primary and Matiyotenga higher primary schools in Daveyton, and the Kutloaong higher primary in Vetlaours.

The bulk of the money which the firm has sponsored has gone towards improving physical facilities at the schools.

"We adopted our first school at Kutloaong in 1977 and the school in Daveyton in 1980," said Mr C H Magid, the personnel manager of Colgate Palmolive.

"Kutloaong was a bare shell when we adopted it. We have installed ceilings, electricity, burglar guards, and cement floors. A security fence has also been erected around the school."

Similar repairs have been done at the schools in Daveyton.

"In addition to the repairs we've sponsored, Colgate has provided a box library at each of the schools. We also intend to provide audio-visual facilities for the schools," Mr Magid said.

He added that the company was considering sponsoring bursaries for teachers who wished to improve their qualifications.

"Once we've accomplished what we set out to do at these schools, we will adopt other schools, where there is a need for upgrading," he said.
Spotlight on US businesses in SA

The Star Bureau

NEW YORK — Leading South African political, business and labour leaders meet in Pennsylvania this week for a major conference on the responsibilities of American businesses in South Africa.

About 50 top American business leaders, from 40 companies with interests in South Africa will attend the conference, sponsored by the Yale School of Management and organized by a group from Yale and Harvard.

Chief Gatsha Buthelezi, Chief Minister of kwazulu, Mr Frederik van Zyl Slabbert, leader of the Progressive-Federal Party and Mr Barend de Plessis, Deputy Minister of Foreign Affairs and Information, are among the South Africans due to attend.

Mr Bo Baskin of Yale, a co-chairman of the conference, said its purpose was to "try to introduce issues which will enable firms to choose policies promoting equal opportunities."

Topics to be raised include trade unions in South Africa, community development, divestment and the role of the US Government.

The conference, officially titled "United States firms in South Africa: Responsibilities, Risks and Opportunities," will take place at the Buck Hills Inn Convention Centre in the picturesque Pocono Mountains, from tomorrow to Thursday.

Former Assistant Secretary of State under the Carter Administration, Mr Richard Moose, and Mr Frank Wisner, Deputy Assistant Secretary of State for African Affairs, will be among the Americans present.

Former Soweto Committee member, Mr Leonard Masala, Mr Tony Bloom, chairman of Premier Milling, and Professor Reuben Adam, Canadian author of several books on Afrikaner power and politics, will attend.
NEW YORK: — Top South African political, business and labour leaders are gathering in Pennsylvania this week for a major conference on the responsibilities of American businesses in South Africa.

About 50 top US business leaders from 40 companies with interests in South Africa will attend the conference, sponsored by the Yale School of Management, and organized by a group from Yale and Harvard.

Chief Gatsha Buthelezi, Chief Minister of KwaZulu, Dr F van Zyl Slabbert, leader of the Opposition, and Mr Bar-end du Plessis, deputy Minister of Foreign Affairs and Information, are among the South Africans scheduled to attend.

Mr Bo Baskin of Yale, a co-chairman of the conference, said the purpose of the conference was to "try to introduce issues which will enable firms to choose policies promoting equal opportunities".

Topics to be raised include trade unions in South Africa, community development, disinvestment and the role of the United States Government.

The conference — called United States' Firms in South Africa: Responsibilities, Risks and Opportunities — will take place at the Buck Hills Inn convention centre in the picturesque Pocono Mountains. It begins tomorrow and ends on Thursday.

Former assistant Secretary of State in the Carter Administration, Mr Richard Moore, and Mr Frank Wisner, deputy assistant Secretary of State for African Affairs, will be among the Americans present.

Former Soweto Committee of Ten member, Mr Leonard Masani, the chairman of a chamber, Milling, Mr Tony Bloom, and the author of several books on Afrikaner power and politics, Professor Herbert Adamm, will also attend.

The conference will be closed to the Press and public.
Isolation will unfetter a siege mentality

by Cheetah Haysom
New York Staff Reporter

BUCK HILL (Pennsylvania) — Mr. Tony Bloom, chairman of the Premier Milling group, has told top United States executives here that political and economic isolation will intensify the "siege mentality" in South Africa.

Addressing a conference on American businesses operating in South Africa organized by the Yale School of Management, Mr. Bloom warned yesterday that isolation would be a "negative, regressive step" that would persuade South Africans to accept "otherwise unacceptable formulas.

It would "intensify the paranoid siege mentality which ripples below our national psyche," he said.

"The stalling of United States interests would remove a positive and constructive influence and would cause hardship and suffering among those who need help most."

South Africa was at the crossroads, he said.

"If the Government chooses the road which will carry its bold statements about adaptation and the removal of discrimination into practice, then one can proceed with confidence that the potential of our country will be realized.

"If, on the other hand, South Africa was to choose the other road, clinging to the obsessions of the past, retreat into its heavily armed white stockade and embark on another disgraceful wave of arrests, bannings, detentions without trial, then — though I have no doubt we will survive — the period ahead is not going to be a pleasant one."

The responsibility for the choice was heavy. It was here that America's political and economic interest could make a lasting contribution. Those companies operating in South Africa could ask themselves some questions, Mr. Bloom said.

- Are they speaking out on matters of national, such as detentions, removals and group areas?

Another speaker, Mr. John Kane-Berman, said the South Africa Government planned to enact one of the cruellest and most massively destructive laws.

Mr. Kane-Berman, a member of the executive committee of the Institute of Race Relations, said that the proposed Orderly Movement and Settlement of Black Persons Bill would be the most drastic piece of apartheid legislation since the pass laws were extended to include women in the 1950's.

It was possible, he said, that attempts to confine increasing numbers of blacks to the homelands would be one of the major causes of racial conflict in South Africa in the years ahead.

NOTE CAREFULLY

1. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.

2. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.

3. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.

4. Do not write in the left hand margin.

WARNING

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.

2. Candidates are not to communicate with other candidates or with any person except the invigilator.

3. No part of an answer book is to be torn out.

4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University.
WASHINGTON. — Much of the suffering in South Africa could be traced to irresponsible capitalism, white economic greed and business practices that are immune to the pleas of black people, the Chief Minister of KwaZulu, Chief Gatsha Buthelezi, said yesterday.

"For me as a black South African what is perhaps worse even than the brutality of the violence that maintains apartheid is the attitude of those who grow fat under apartheid," he said.

Speaking at Yale University, New Haven, at the conference on American business in South Africa, Chief Buthelezi said many South African and foreign businesses in private agreed with everything he said, but in fact had visions that "only extend to this year's balance sheet and next year's business".

He attacked the Prime Minister, Mr P W Botha, saying the net result of Mr Botha's premiership had been a move towards hard-line politics.

"In his term of office we are facing an attack on human dignity unparalleled in the annals of South Africa's political history." He said he rejected the policy of violence adopted by South African organisations in exile as "unparalleled in futility" since it had failed for 25 years.

Economic sanctions too were not viable because they would not cripple the economy. By contrast with the "failed strategies" of violence and economic sanctions, and the reliance on the reform promised by Mr Botha when he became Prime Minister, Chief Buthelezi proposed "constructive involvement in the internal process of change."

"Wielding people into viable groups by forming constituencies in which disciplined leadership could act was the function of Inkatha. Inkatha's mass support was the beginning of the constituency in politics which would eventually drive apartheid into a future "political chamber of horrors", the chief said."
Du Plessis denies he shocked Americans

Argus Bureau
WASHINGTON. — The Deputy Minister of Foreign Affairs and Information, Mr Barond du Plessis, called a Press conference here yesterday to say a report of remarks he made at the Yale School of Organisation and Management was “totally distorted.”

Mr du Plessis reiterated his view that foreign employers should be aware that unions were being misused for political purposes.

He said again that employers should “isolate the responsible elements” by making it clear that such activities were disapproved of. But this did not imply that employers should become policemen.

“We are talking about attitudes. If a trade union which allows itself to be misused for political purposes should feel cold winds coming from the company, then the Government can say it has an ally in furthering the proper goals of trade unionism.”

He said he had encountered no “negative” reaction at the closed meeting.

However, participants maintained today that his remarks had caused amazement and shock.
PORT ELIZABETH — About 200 workers were laid off yesterday by General Motors, due to deteriorating economic circumstances. Mr Rod Ironside, assistant managing director of GM, said in a short statement there had to be "some adjustment in the workforce in line with economic conditions."

He said about 200 workers would be involved in this "adjustment" and that this would be effective from yesterday.

"This act is regrettably necessary but unavoidable after we have had to adjust the work hours and shifts to the maximum extent possible within the context of operating a motor plant," Mr Ironside said.

Officials of the National Automobile and Allied Workers' Union (NAAWU) could not be contacted for comment.

NAAWU has been involved in a lengthy wage dispute with GM, Ford and Volkswagen since July. — SAFA.
US state is to vote on SA disinvestment

By RICHARD WALKER

NEW YORK – Sponsors predicted certain victory in a vote to be cast today to withdraw up to $300 million in investments from Massachusetts State companies and banks doing business with South Africa.

"It should be with the governor for signing by the end of the week," said a spokesman for Mass Divest, a coalition of trade union, church, student and other groups that has lobbied the state authorities for three years.

The influential Boston Globe newspaper backed the Bill at the weekend and its passage is said to have been assured by legislators.

Mr. Kumalo said American delegates at the gathering were "shocked" when Mr. C. M. du Plessis, South African Deputy Minister of Information, suggested political activists should be weeded out from South African unions.

"The corporations see working with the unions as their best defence against disinvestment."
Detention without trial was queried several times at the Yale conference addressed by Mr Barend du Plessis.

**Message to Pretoria from Yale**

The Deputy Minister of Foreign Affairs, Mr Barend du Plessis, was asked to take a message back to Pretoria from last week's Yale conference on American business operations in South Africa.

A participant said that after the Deputy Minister's address, he asked Mr du Plessis to tell Pretoria that South Africa "was not judged by the same standards as countries like Uganda or Cambodia. South Africa was judged by higher standards. Therefore, it was difficult for American and Canadian businesses to defend their operations in South Africa when reports of such action as detention without trial persisted."

"It was one of several occasions at the conference in which the absence of a "due process" in "security" measures, especially among trade unionists, was raised, according to participants. Mr du Plessis caused a stir at the conference with some of his remarks in his address and -- mostly -- in reply to questions he was asked about due process being followed. He gave the impression that he was asking for employers' cooperation in working out political unionists."

"Many people in America consider as revolting the concept of snuffing out political unionists."

South African Government and its dealings with unions, especially in any form of policing, is the domestic pressure on US firms in South Africa, and their important relationship with their own shop floor demands.

American businessmen who understand that black unions in South Africa are community-based wanted to know what the South African Government defined as "political activity." And that is why the deputy minister was asked by a questioner to describe political activity. Mr Du Plessis said it was hard to define, but the government knew.

Americans said they considered his remarks naive and inappropriate. They were disappointed.

The South African Government and its officialdom may consider due process a "liberal" concept. They may have done so for so long that they forget the meaning of the term.

In countries like the US, however, the right of a person to be charged and tried and their right to "due process" is not "liberal." It is conservative, fundamental to the principles on which the republic was founded. It is a republican deal. So, American unions...
A million wish to be martyrs

Sadegh Ghotbzadeh, the man who helped the Ayatollah Khomeini seize power, has been executed for opposing him. Ghotbzadeh's disillusionment is symptomatic of growing discontent with the regime. Recent reports refer to an undeclared civil war. For the first time the mullahs are having trouble recruiting young men to fight in the war against Iraq and are enacting draconian legislation against draft dodgers.

But Khomeini's supporters are still determined to export their Islamic revolution. Yussuf Nazeer, a reporter on The Star visiting Tehran, gives his impression of their zeal.

"We shall fight fiercely against satanic America and other arrogant superpowers," says Ayatollah (the sign of God) Khomeini's message all over Iran's cities, "up to the last drop of our blood.

"We are militant and we shall export our Islamic revolution to the whole world. Wherever there is a struggle in any part of the world against arrogant oppressors, we shall be there to fight the cause of the oppressed who believe there are no gods, idols, and false leaders save Allah. And Mohammed is his prophet," the Imam's message adds.

If you go to the Behesht Zahra cemetery of martyrs on Fridays (the Islamic national sabbath) you will find thousands of mourners there paying homage to the graves of some 70,000 "sons and daughters of Islam" who initially died in the world challenging revolution which deposed the dictator Shah.

The colossal cemetery contains more than 100 plots each of 10,000 dead. Graves are tens of metres apart. Three plots with 30,000 war dead before filled. Among these are hundreds of young soldiers aged 10 to 15. They are known as the "banners of Allah." Photographs of the martyrs are mounted above the graves.

One young martyr is that of 13-year-old Shaheed Mohammed Reza Famedar who strapped grenades and mines to his body and then charged under an Iraqi tank coming through a pass followed by other tanks.

His suicide mission blew the tank to a stop blocking the pass with other tanks behind. The report says the boy volunteered to die in this way after his regiment ran out of anti-tank shells.

The martyred schoolboy's fate gave the Islamic concept of heroism and martyrdom a prominent role in the war. Iran's revolutionary spokesmen have claimed that more than a million Iranian Muslims committed to Islam are now projecting a death-wish "undermine for the cause of..."
Why I WANT more American companies here

MORE than 360 American firms operate in South Africa. The total American investment in South Africa amounts to R2 300-million, and American firms employ more than 150 000 people of all races.

If one assumes an average family unit of four persons, then there are more than 600 000 people whose lives, ambitions and aspirations can be affected by the policies of American companies.

There is an enormous potential for influencing an even larger circle if these corporations continue to set the pace in dismantling discrimination in employment, in the civilised treatment of their employees, in their training and promotion programmes and in the granting of socio-economic benefits which substantially benefit those employees and their families.

I argue strongly and persistently for the extension rather than the diminution of American interests in South Africa.

I, too, gave increased investment, not boycotts — for US corporations to lead by example, not to isolate by withdrawal.

To demonstrate in an effective and in a practical manner that enterprises can be run on a discrimination-free basis and yet remain viable.

To maintain moral integrity and at the same time to achieve constructive gains. To use the carrot instead of always the stick.

And to lead, as the world expects you to. There is no need to become a part of the system.

Visitor

Every time an international coloured sportsman plays in South Africa, racial barriers tumble and changes in attitudes occur for the better.

And every time a black visitor to South Africa goes back home, Africa, and correcting patent injustices.

I am sorry to say that too many South Africans have been guilty of sitting on the sidelines for far too long.

For a South African, it is a basic duty to involve himself or herself in every aspect of South African life, whether political, economic or social.

Chaos

There will be other views — the vocal minority of radicals and revolutionaries who profit from anarchy, destruction and chaos, and who are resolved to destroy any structure that strives to harmonise with Western, democratic capitalist values.

It only remains, therefore, for those companies who are operating in South Africa to ask themselves these questions:

- Are wages for non-whites in their companies advancing fast enough?
- Have they moved towards equal pay for equal work and to provide equal employment opportunity, will achieve little other than its value as a moral salve and perhaps the applause of the Third World and Eastern Bloc.

It will certainly not achieve what the black South African needs for himself and his family.

Let us ask ourselves the question: would a lessening of economic ties give him freedom from hunger, unemployment or fear?

Will it contribute towards the goal of equal opportunity?

Or will it bring with it the chaos of Congo, the civil strife and misery of a Ghana, the grinding hunger of a Burundi or the despotism of a Uganda?

The answer to a diminution of ties must be an unequivocal No.

I am convinced that there is a much more important role for you to play — to galvanise South African and other companies in being the cutting edge of the movement for an acceptable change in South Africa.

I take strong issue with the conclusions of the report issued by the Rockefeller Foundation in so far as it suggests "non-expansion" of US interests in South Africa — economic growth in South Africa can only be beneficial to the process of dismantling apartheid generally, and the faster the growth, the faster that process will be.

Six- to eight-million jobs for new black workers alone will have to be found in the next 20 years — it is obvious that this cannot be done without the aid of foreign investment.

Inevitably this process and the growth in the economy will bring with it improved political rights.

Interest

US corporations can and must assist in this process — it is to their own commercial and economic, political and moral interest
South Africa is worth doing. I go further: in the commercial field I would like to see a flood of academics, artists and athletes of all races coming to South Africa — by all means firm in their intention to perform before desegregated audiences only.

I believe it would be difficult and extremely embarrassing for the Government to do anything but go along with the situation in the face of their often expressed, but seldom carried out, intention to move away from discrimination.

There are often-heard objections to co-operation in the sporting and cultural fields — based on the premise that South Africa's isolation has been responsible for much of the removal of petty apartheid.

Values

This is undoubtedly true to an extent, but I believe a great deal more can be accomplished by active and constructive leadership.

I consider that all of us involved in the free enterprise system must re-examine our role in society and question to what extent the scope of our activity should be extended to protect the values which we have built up over the years and which we cherish.

All of us must ask ourselves, more than ever before, to what extent our particular areas of expertise and knowledge can be put to use in effectively improving the environment and opportunities for all in South Africa.

Chaos

There will be other views — the vocal minority of radicals and revolutionaries who profit from anarchy, destruction and chaos, and who are determined to destroy any structures that strive to harmonise with Western, democratic capitalist values for workers.

It only remains, therefore, for those companies who are operating in South Africa to ask themselves these questions:

Are wages for non-whites in their companies advancing fast enough? Have they moved towards equal pay for equal work and do they provide equal employment opportunities?

Are they spending sufficient time, money and effort on training their workers? Are they promoting on merit alone and actively seeking out blacks with the requisite qualifications for managerial positions?

Can they do more in South Africa to improve the living standards and job opportunities for workers?

Are they making a significant and constructive contribution towards the quality of workers' lives outside the work environment?

Are they providing sufficient support for general charitable and philanthropic projects which will benefit all sections of the community?

A reasonable future for all the people of South Africa cannot possibly be linked to a lessening of economic ties between your country and mine: disinvestment, partial or total,
I was right to hit out at SABC

By JOHN MATISONN
Washington

DEPUTY Minister of Foreign Affairs Mr Barend du Plessis says his tour of White House and State Department media offices this week proved he was right to complain about the SABC.

"My statement in Bloemfontein was by no means a demand from the side of the Government that Ministers should get unlimited time on the air to make speeches and announcements," he said in an interview in Washington.

During his week in the United States Mr du Plessis found that every word of President Ronald Reagan was carried on television - "even live on one occasion on all three TV networks".

On subsequent news programmes the issue was digested.

"We have a lot to learn, and we can take a leaf out of the media in the US," he said.

"Those private networks regard it as normal to present and interpret these announcements to the public in such a way that people can understand what they are about.

Implications

"It's not the intention that Ministers should stand there and talk for hours to explain the implications. Communications specialists are much better equipped to do that.

"If an announcement is made that affects John Citizen's life it is correct to expect of a statutory body like the SABC that it get its specialists involved to present and interpret its implications to the public in such a way that people can understand what it's all about."

"We have made substantial progress with installations at the Union Buildings, and it can only be of the greatest benefit to South Africa to establish effective channels of communication between the media and Government."

The daily briefings at the State Department, White House, Pentagon and elsewhere and the regular background briefings enabled the media to understand the material, he said.

Their procedures made people in government accessible to the media.

Mr du Plessis said he viewed in detail the White House equipment and facilities.

He was involved in his second controversy since he became Deputy Minister of Foreign Affairs and Information when he told a conference at Yale University this week that foreign firms should isolate those who misused South African trade unions for political purposes.

He called a Press conference in Washington after the incident was reported in the South African Press, and pointed out that he did not expect firms to fire union members. But he wanted them to be aware of the problem, and to speak out so that alleged political activities "feel the cold winds."

Then at least the Government would know it had allies in those firms, he said.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University.

 CandidatE must enter in 1) the number of each question and (in the order in which it has answered); leave columns (2) and

<table>
<thead>
<tr>
<th>Internal</th>
<th>External</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td></td>
</tr>
</tbody>
</table>

Pieces of paper or other mate-

s are so instructed.

To communicate with other

any person except the invi-

ver book is to be torn out.

s must be handed to the com-

r invigilator before leaving the
By JOHN MATISONN
WASHINGTON. — The controversial remarks of Mr Barend du Plessis, Deputy Minister of Information, at a Yale University conference were taken to mean the Government would like American firms to isolate political agitators in trade unions so that action could be taken against them, he said.

Mr Kane-Berman told the conference that, as he understood it, the conference had made it clear American business did not approve of violations of the due process of law.

This message was an example of constructive engagement for which every person in detention, or threatened with detention, was indebted to the businessmen who took that view at the conference, he told delegates.

He agreed with Mr du Plessis that the Government deserved credit for the positive advance in Government policy which allowed black trade unions to be recognised under the law.

One American businessman told Mr du Plessis that due process of law was a strong American tradition — that individuals accused of a crime should be prosecuted, not detained without trial.

During lunch and tea breaks a number of businessmen expressed surprise that a South African Deputy Minister could convey the impression American businessmen were expected to condone or co-operate with procedures which ignored due legal processes. Mr Kane-Berman said in an interview yesterday.

"It was quite clear to me from a variety of opinions that Americans reacted with incredulity that a Government spokesman would expect them to condone detention without trial", he said.

In his closing remarks Mr Kane-Berman, the conference’s keynote speaker, said there had been a quiet revolution in the attitudes of managers to black unions in the 12 years he had reported on the South African labour scene.

A trade unionist at the conference, Mr Halton Cheadle, was banned in 1974 after being active in the renewal of union movement in Durban.

"I am sure that, with the exception of two or three businessmen, the business community would have welcomed it," Mr Kane-Berman said.

Yet at the conference businessmen had expressed concern about detentions without trial, influx control, large-scale resettlements, and the de-nationalisation of over a 7-million black South Africans.
'Political' element in unions: SA warning

WASHINGTON. — Mr Barend du Plessis, Deputy Minister of Foreign Affairs and Information, warned United States firms in South Africa to "be aware of and isolate those who misuse trade unions for political purposes" — but not to get rid of them.

Mr Du Plessis called a press conference at the South African Embassy in Washington on Thursday to deny a report in an afternoon paper that he had called on US firms to rid their black unions of political elements.

He said the report was an unfair distortion which would jeopardize the participation by "certain categories of people" in this type of conference in the future.

'Extremists'

The conference was referring to was held before the closed doors by the Yale School of Organization and Management on the risks, opportunities and responsibilities of US firms in South Africa.

In his speech, released to the press by the embassy in Washington after the news report had appeared, Mr Du Plessis called on employers to "see to it that extremists do not use the union movement for purposes other than achieving legitimate rights of workers'.

Because labour reform occurred before political reform in South Africa, the trade union movement presented opportunities to "those bent on the destabilization of South Africa" to use the unions for political purposes, he said.

"Where employers have shunned their responsibilities by taking no steps to condemn such activities and to isolate those who misuse unions for this purpose, action had to be taken by the police."

"As a result, the government is accused of giving rights by passing legislation and removing them by police action."

'Misuse'

At his press conference, Mr Du Plessis said that after he had referred to "appropriate action" by US firms, he was asked at the conference if that meant the government expected US firms to police the unions.

He had replied that the government did not expect that. Foreign companies should simply be aware of the misuse of unions for political purposes when that occurred.

"If a union is misused, it should feel cold winds. It should get the impression from employers that that portion of their activities is not popular," he said in Washington yesterday. — Sapa-AE

---

NOTE CAREFULLY

1. The answers only on the right hand pages will be marked. The left hand pages may be used for rough work, but no credit will be given for such work.
2. Enter at the top of each page and in column (1) of the block on this cover the number of the question you are answering.
3. Blue or black ink must be used for written answers. The use of a ball point pen is acceptable. Red or green ink may be used only for underlining, emphasis or for diagrams, for which pencil may also be used.
4. Names must be printed on each separate sheet (e.g. graph paper) where sheets additional to examination book(s) are used.

Any dishonesty will render the candidate liable to disqualification and to possible exclusion from the University.

---

WARNING

1. No books, notes, pieces of paper or other material may be brought into the examination room unless candidates are so instructed.
2. Candidates are not to communicate with other candidates or with any person except the invigilator.
3. No part of an answer book is to be torn out.
4. All answer books must be handed to the commissioner or to an invigilator before leaving the examination.
GE quits KwaZulu venture

GENERAL Electric of the US, the world's most diverse manufacturing company, has pulled out of a major mining project in South Africa, apparently because of political pressure.

Company officials in Johannesburg said the decision by the company's Southern Sphere Mining, a subsidiary of Utah International, which is in turn owned by General Electric, to sell its stake in a planned R150-million anthracite mine in KwaZulu was influenced by anti-apartheid pressure in Connecticut where GE has its headquarters.

The Connecticut legislature has taken steps to forbid the state's pension fund investing in companies with interests in South Africa.

The investment, which would have been the largest by any US company in South Africa in recent years, was to have been a joint venture between Southern Sphere and Gencor, each company paying an equal share of the cost.

A Gencor official confirmed that Southern Sphere had agreed to sell its prospecting rights to Gencor for R150-million, payable in four equal annual instalments.

An official of General Electric South Africa said the decision did not affect GE's other investments in South Africa, centred on the domestic appliance and electrical equipment industries. These interests had grown markedly in recent years.

Southern Sphere's withdrawal from the KwaZulu venture is in sharp contrast with the action of many of the more than 360 US companies which have substantially expanded their operations in the past year or two.

According to the US Department of Commerce, US investment in South Africa was valued at $250-million at the end of 1981 compared with $220-million in December 1980.

A New York report says General Electric said "Utah International decided not to pursue the KwaZulu coal venture because the project did not meet the criteria upon which allocation of resources are based." — Financial Times
SA plays host to 200 at US seminar

By Neil Lusser

Own Correspondent

WASHINGTON — More than 200 American business executives and congressional aides are to attend a seminar staged by the South African embassy in Washington this week on the challenge of political and economic growth in South Africa.

The keynote speaker is the South African Minister of Internal Affairs, Mr. E. W. de Klerk, whose address tomorrow will be "South Africa's New Political Horizons."

It will be the fifth such annual seminar in the US by the American business and political community.

Attendance in past years has varied from 150 to 180 delegates. Provision is being made for more than 250 this week.

Other speakers are Mr. Marius de Wael, managing director of the Development Corporation of South Africa, Dr. Simon Brand, senior financial adviser to the Prime Minister and a professor at Unisa, Dr. Chris Stale, senior vice-president of the SA Reserve Bank, and Mr. Piet Liebenberg, former chairman of the Finacon Bank.

Their themes include new regional development programmes, economic planning for growth and stability and investment in South Africa.

The South African ambassador to Washington, Mr. Brand-Peurle, will chair the two-day seminar.

A call for economic disengagement from South Africa was made in Washington last week by the American Friends Service Committee (Quakers) at a press conference to launch a new book based on a two-year study on conditions in South Africa.

Mr. Lyle Tatum, a member of the group that produced the book, "South Africa: Challenge and Hope," said the recommendation for disinvestment had not come easily to the authors but they believed such pressure could make a significant contribution to fundamental change.
Look below the surface, US is told

By John D'Oliveira
The Star Bureau

WASHINGTON — The South African Government aimed at stability based on the ability to broaden participation in democracy and the free market economy.

This point was made to about 200 leading American businessmen here yesterday by Mr F W de Klerk, Minister of the Interior and leader of the National Party in the Transvaal.

Mr de Klerk was speaking at a banquet in a Washington hotel for the participants in the fifth annual symposium on South Africa organized by the South African Embassy here.

Highlight of the event will be the keynote address by Mr de Klerk today entitled: "South Africa — new political horizons."

Last night he said American businessmen who looked below the surface in South Africa would see a political structure which ensured stability for the present while it addressed the challenges of the future.

"Businessmen will understand that the ability to look forward and not backward. "True stability means the ability to anticipate change — the ability to broaden participation in democracy and the free market economy without the destruction of democracy and the free market economy."

"That is the course upon which my Government has embarked."

Earlier Mr de Klerk said the stability of South Africa was one of the anchors which secured prosperity in Southern Africa.

The sooner the free world realized that South Africa held the anchor role to play in Southern Africa, the better it would be for everyone.

Mr de Klerk said he believed this realization was dawning on Southern Africa's neighbours.

"There is a growing tendency towards better relations in the economic field between South Africa and its neighbours."

"We said the Government's new economic decentralization programme "is the starting point for something really big in South Africa."

At the same symposium, Mr Brand Fourie, South Africa's ambassador to the United States, and key Namibian negotiator told the audience the overriding issue at the moment was whether Cuban troops would leave Angola.

He said there had been hopeful signs, but matters were not moving "at a pace that we would have hoped for."

"As far as South Africa is concerned, we have done everything we undertook to do, and we intend to do everything we have undertaken to do," Mr Fourie said.

"We hope a solution will be found because there are few things which would help the stability of the area to a greater extent or create greater international confidence."

"For the time being one should, perhaps, let the pot simmer and not stir it to the extent that it boils over."
PE motor workers on 4-day week

PORT ELIZABETH — Two motor assembly plants here, Ford and General Motors, will work a four-day week from next month.

General Motors' in Kempston Road closes tomorrow and will work its short-time operations from Tuesdays to Fridays.

Ford will work a four-day week every other week.

GM's PR manager Mr Peter Sullivan said the effects of the economic downturn had compelled GM to adjust its production schedules.

"On present outlook it may be necessary to continue working a four-day week," he said.

Ford's employee relations manager Mr Dirk Pieterse said economic factors had made a four-day week necessary at the Cortina plant in Brundale.
Ford and GM go on four-day week

PORT-ELIZABETH.—Two motor assembly plants in Port Elizabeth, Ford and General Motors, are to work a four-day week from next month.

GM closes today and will work its short-time operations from Tuesdays to Fridays. Ford will work a four-day week every other week.

GM's public relations manager, Mr Peter Sullivan, said the effects of the economic downturn had compelled the company to adjust its production schedules. The decision to adjust schedules was in keeping with the company's undertaking to minimize the potential for retrenchments.

Ford's employee relations manager, Mr Dirk Pietersen, said that because of economic factors affecting the motor industry, the Cordia plant at Struandale would be working a four-day week on alternative weeks.

Meanwhile, about 85 workers, or 16% of the work force at the Hella (SA) lighting equipment company in Uitenhage, were retrenched yesterday.

The company said the step was necessary because of the economic slowdown and because the company had been affected by the short-time worked by many of its major customers. — Sapa.
VW to work short week

THE Volkswagen motor plant in Uitenhage will work a four-day week twice next month but, unlike its Port Elizabeth competitors, Ford and General Motors, this is not connected with the downturn in the economy.

VW's public affairs manager, Mr Ruben Els, said today the plant would probably close on November 8 and 22.

This was due to a "structural change-over" and was not related to a cutback in production, he said.

Yesterday Ford and GM announced that they would be working shorter time in the future.

GM was closed today and production will resume on Tuesday — but the firm may continue with a four-day week. Ford's Cortina plant will work a four-day week every alternate week from Monday.
US pushes education along...

By Moira Levy

At the end of last year 7/4 black schools had been adopted by American companies in South Africa within the requirements of the Sullivan Code.

Sullivan's sixth principle says signatory companies should involve themselves in "improving the quality of employees' lives outside the work environment in such areas as housing, transportation, schooling, recreation and health facilities."

Out of that the Sullivan Principles Education Committee's Adopt-a-School project was born in 1978.

The education committee chairman, Mr John L K Brett, said: "Our 12-man committee is multiracial and is a microcosm of our society."

"At our meetings we interview the people who come for help. Then we write to all our members and they give what resources, knowledge or influence they can."

A committee document says: "Among the reasons for the high drop-out rate (in black schools) are the physical facilities. Without electricity, heating or proper construction, the schools become an unpleasant setting."

"Beyond these physical factors is the absence of equipment like typewriters, mimeograph machines, books and visual teaching aids. Further, there is also the question of the curricula."

At the end of last year, the education committee reported more than R1,5-million had been spent on the project during two years.

One of its greatest achievements was Soweto's Face College.

"We also raised almost R9 000 from American companies for St Anthony's College in Reiger Park, Boksburg," Mr Brett said.
40 years' service to Africa

THE United States shipping company, Lykes Lines, is celebrating 40 years of association with Africa and is also busy deciding on what vessels to build in its fleet replacement programme.

In Durban to mark the 40th year of service to Africa, Mr. Stewart Le Blanc Jr., said: 'Lykes pioneered intermodalism, the combination of water and rail or truck transportation, in the African trade.'

'Today intermodal shipments represent a major part of our business, especially westbound from South and East Africa. Our intermodal business has grown by leaps and bounds.'

'We are in the midst of a major study to determine what kind of ships to build in our fleet replacement programme. The African trade and the growth of intermodalism in the trade figures prominently in our planning,' he said.

Lykes provides a regular direct service between all the US Gulf ports and South African ports like Durban, Cape Town, Port Elizabeth and East London.

The line has its own supervisory control office in Durban, with Mitchell Cotts acting as master agents for Lykes in South Africa, which liaise with company offices in the US. Through them, imports and exports are arranged between Africa and US Gulf, West Coast and Mid-West centres.

Typical commodities shipped from Africa are coffee, tea, copper and sisal, while trade into Africa is mainly in manufactured and semi-manufactured goods, with a substantial amount of shipments from relief projects.

The line's ships in the Africa service handle all types of cargoes such as breakbulk, container, bulk, heavy and oversized pieces.
Turning point for GM in US?

Business Editor

GENERAL MOTORS, parent company in the United States of GM (SA), has produced third-quarter results which suggest the collapse in the company's fortunes may have reached a turning point.

Granted that the after-tax profit of R129.4 million (R148.4 million) just reported represents a paltry 4.6 cents a share, the significance of the results is that during the same quarter last year, GM's loss of R468.5 million (R541.1 million), loss, left ordinary shares bearing a loss of R1.59 (R1.65) each.

The net profit, amounts to only 1% of sales turnover.

In a statement on the results, GM says worldwide factory sales for the quarter ended September amounted to just over 1.5 million units (up 13%)

However, while domestic sales (revenue, brokage 6% worldwide, sales, contracted by 12%); behind this turn-around in profitability, says GM; is continuing success in controlling costs and increased earnings from non-consolidated affiliates.
US firm to launch SA operations

Shipping Reporter

CARLTON Container Services are to act as deconsolidation and sales agent for an American company following the conclusion of recent negotiations.

The company, Davis Turner and Company, will offer services through Durban to Zambia, Zimbabwe and Malawi.

Vice-presidents, Jack Cook and Fred Sherman said during a recent visit to South Africa, that their decision to start a weekly service into South African ports, including Johannesburg, from Chicago, Boston, Philadelphia and New York, had been brought about by the increased traffic opportunities following the Reagan administration's encouragement of increased trade with the Republic.

Davis Turner and Company have been involved in the American freight industry for more than a century and have been consolidating cargo worldwide for the past 10 years.
Steiner cuts into SA market

STEINER Services Corporation of Salt Lake City, Utah — the world's largest in the field of garment, linen, tailoring and related hiring services — has now captured by far the largest slice of the South African market through its South African affiliates.

With factories in Cape Town, Port Elizabeth, East London and on the Rand, it renders comprehensive services to the manufacturing industry, says Dr Jan Marais, who joined the Steiner Services Group board recently.

The group serves large vehicle manufacturers, the service industry, office complexes, shops, restaurants and hotels, says Dr Marais.

The international company employs a staff of 2 000 in South Africa and operates more than 300 factories worldwide including the US.

The group's progress illustrates the international trend towards hire rather than purchase with its problems of capital investment, stock-keeping, cleaning and replacement.
Quaker Action

the target of

giants are

US computer

VIGOROUS CAMPAIGN AGAINST AMERICAN INVESTMENT IN APARTHEID

NEW YORK

By CHARMED STILES

SUNDAY EXPRESS NOVEMBER 23 1988

Page 3
Film giants in SA link-up

By Don Robertson

THREE of America's largest film studios, Paramount, Universal and MGM, have joined forces in South Africa to launch a new video hire company to handle their products exclusively.

The new company, CIC MGM/UA Video, will be the largest single distributor of video products in South Africa, and has given warning that it will take an active role in combating piracy of titles — a practice rife in the industry.

The three partners have more than 5,000 feature films which can be released for the local market, but the initial launch will consist of 15 titles including major films such as "The Godfather", "Barbarella", "Galactica", "2001: A Space Odyssey" and "The Sting".

Managing director John Smithers, formerly managing director of Gallo Communications, told Business Times that a major marketing campaign would be launched to coincide with the Christmas trade, and that regular newsletters would be distributed through carefully chosen distributors advising customers of new titles.

It is expected that each of the partners will release between 30 and 40 new titles a year, and that by the end of 1982, the company hopes to have about 40,000 tapes on the market.

Mr. Smithers warned that the company would deal severely with any dealer infringing copyright and that strong civil action would be taken.

He estimates that about 75% of the R15-million-a-year industry is made up of parallel imports — those tapes that are brought in from overseas and hired out—and pirated copies.

The remainder comes from legitimate distributors such as Gallo and Warner. Infringement of copyright is also policed by the Motion Picture Association of America, which has representation locally.

The company has adopted a pricing policy which should be of advantage to distributors. It is intended to charge a fee of R28 a month per tape for a minimum period of six months.

Mr. Smithers believes that the market will continue to grow at a rapid pace in spite of the economic climate, and that sales of VCRs are currently running at about 4,000 units a month.

As a result, he expects other producers such as Columbia, 20th Century Fox and Star-Kinekor to enter the market early next year.
Sullivan Code findings point to black training need

Progress on race by US-SA firms

Rev Leon Sullivan (the black American churchman who initiated the principles in 1972) and his staff.

Finance Reporter
UNITED States investors in South Africa have "made progress" in implementing the Sullivan Principles of Fair Employment Practice, according to the latest report on compliance with the six-point code just published by the Boston management consultancy Arthur D. Little.

But the report says more attention needs to be given to training and advancing blacks, and it points to a widening wage gap between white and black employees.

It details the efforts of 93 companies, employing 69,000 people, to pay equal wages for equal work, desegregate workplaces and amenities, advance blacks into senior jobs and improve the quality of employees' lives in their home communities.

The Sullivan code has been signed by 146 out of the 360-odd US companies with investments in this country.

Signatories appear to be taking the monitoring procedure increasingly seriously. They have called in outside auditors to verify their replies, and moves are afoot to appoint a national co-ordinator to liaise between the companies and the service is supervised by a black.

But this was the same number recorded last year, and the report notes that while blacks, coloureds and Asians account for 63 percent of the companies' workforce, only 6.6 percent are in jobs where their responsibilities include supervision of whites.

Thirty-two companies were judged to be making "good progress" in implementing the Sullivan principles. They include Ethnor (believed to have scored the highest number of points), Union Carbide, Kellogg and most of the US computer companies.

"At the other end of the scale, 37 companies "need to become more active". This list includes such well-known names as Envirotech, Motorola, Carnation, Fisher and NCR.

NCR has the enviable record of being the first company to be downgraded from the top category to the third.

Managing director in Johannesburg, Jim Houston said: "We are very disappointed. I'm not sure we fully agree with it."

He said one reason for the demotion may have been that NCR contributed 100,000 dollars to the American Chamber of Commerce's Face school in Soweto in 1980, but nothing last year.
Strike case withdrawn

Labour Reporter

The non-appearance of two witnesses caused an Intimidation Act case against two members of the Metal and Allied Workers' Union to be withdrawn in the Brits Regional Court yesterday.

Mr. Ernest Lutswele and Mr. Jacob Magashule were arrested and charged in Brits in September after a strike at B & S Engineering over the dismissal of a worker.

Yesterday the prosecution withdrew its case after Mawu opposed an application for a postponement.

Union protests at ban on township meetings

Labour Reporter

Local authorities in the Lydenburg area have banned all meetings in a rural township for two months.

The Metal and Allied Workers' Union, which represents a majority of the workforce at the nearby Tubatse Ferrochrome plant at Steelpoort, has condemned the ban, saying it is directed at the union.

The ban comes in the form of a decree from the Chief Commissioner for the Department of Co-operation and Development in Lydenburg. Mr. Philip le Grange.

It prohibits any meeting in the township of Eerstehuiskraal and provides for a R1,000 fine or one-year jail term if the ban is broken. The decree also provides for restrictions on future meetings once the two-month period has expired.

A Mawu spokesman said the ban directly affected their meetings with local Union Carbide subsidiaries where they hold a recognition agreement.

The spokesman said that Mr. le Grange had informed them that the ban was implemented because some workers had been intimidated by union members.

The ban allows only for religious meetings, funerals, weddings and other community functions. In future, applications will have to be made to the Chief Commissioner 72 hours in advance.

CHRISTMAS SPECIALS

XS1100 SH SPECIAL

NOW ONLY R3495

XT1250
XT500

NOW ONLY R3495
Governor briefed on disinvestment

NEW YORK — The Governor of Massachusetts, Mr. Edward King, ended a private meeting with a Cape Town, South Africa, editor, Mr. Donald Woods, still doubtful whether to sign a bill withdrawing state funds from companies that do business with South Africa.

Mr. King, who accompanied Mr. Woods to the meeting, has complained about Mr. King's attitude.

Mr. King said he was happy to listen to Mr. Woods but remained concerned that pension portfolios could lose money through disinvesting.

A black caucus official said Mr. King listened attentively to Mr. Woods for about 15 minutes, but asked him no questions.

— DDC
housing provision.”

The scheme is unique in that Mobil chose to provide housing, not for their own employees, as is becoming increasingly common, but rather simply in recognition of a social need.

The project was developed through Build a Better Society (BABS), a self-help organisation in Cape Town’s Kewtown, with whom Mobil has had a long association. "It became clear to us that any self-help projects attempted in the Kewtown area were hindered by the chronic housing shortage. So the project simply grew out of BABS’s self-help philosophy,” says O’Malley.

A profile of project applicants indicates that over half lived with their families in one room — usually in their parents’ house or flat.

Estimates of the housing shortage for coloured people in the Peninsula vary between 40 000 and 70 000 units, and many people have been on the Cape Town City Council’s (CTC) waiting list for more than 15 years. Last year the Department of Community Development estimated that 21 700 houses would have to be built annually over the next five years to meet the backlog and cope with the natural increase.

Townhouse project

The townhouse project was developed at a cost of R1,3m and consists of 50 housing units designed in Georgian style; 27 are duplexes and the rest single-storey units. Each unit consists of a living-cum-dining area linked to a kitchen, and has three bedrooms and a bathroom.

Each unit cost approximately R18 000, including infrastructure. In 1992 tenants will have the option to buy the houses for R9 000 (including the cost of land) when Mobil’s lease on the CTC-owned land expires. Present rental tenants pay only R66 a month — lower than equivalent houses in Mitchell’s Plain.

However, the possibility of future home ownership is an important motivating factor for the present upgrading of houses. O’Malley says: “We’re monitoring conditions closely, and it is too soon to draw categorical conclusions. But people are reacting very positively with continuing alterations to the basic structure.”

The criteria for acceptability to the scheme were that income levels should be not less than R250 a month and not more than R500 a family. Applicants had to be members of BABS, have their names on the council waiting list for Kewtown and be actively involved in community life. Mobil was not involved in the selection process, which was conducted by BABS with help from sociologists.

A community centre to serve the entire Kewtown community is scheduled for completion in March next year. O’Malley says that “when the community centre is completed, we will be running people development projects which will increase our involvement in the community.”

Financial Mail December 17 1982
FIRM
FOREIGN TRADE – U.S.A
1983
JAN. — DEC.
DIRTY KITCHENS
SOUTH AVENUE
RD

SAAS CLEANING IS DIRTY KITCHENS

To Page 1

SAAS CLEANING IS DIRTY KITCHENS

Food Secret

All meals are served with fresh bread. On New Firm, we supply all the necessary foods to make a great meal.

SOUTH AVENUE
RD

From Page 1
Michigan moves to stop SA investment

Mail Correspondent
WASHINGTON. – The State of Michigan — which includes the US car-manufacturing capital of Detroit — has passed a law which will force all state universities to sell their shares in companies that operate in South Africa.

It was written as an amendment to the state’s Civil Rights Act forbidding racial discrimination and signed into law by the Republican Governor, Mr William Milliken, on his last day in office on New Year’s Day.

The law says these institutions must sell all shares — valued at more than $90 million — in companies operating in South Africa within 15 months. It was enacted over the strenuous objections of the Ford motor company, which operates a car-manufacturing plant in Port Elizabeth, and the giant University of Michigan, which alone has almost $90 million invested in companies that are active in the Republic.

The companies affected are expected to include Ford, General Motors, IBM and a number of other American companies which are among the largest in the world.

"Several anti-apartheid groups, under the umbrella of a Michigan State coalition against apartheid, were fighting for this law," said Mr Dan Sharp, chief aide to Mr Perry Ballad, a representative in the Michigan State legislature, who sponsored the legislation.

Religious groups have been pressing for a variety of laws prohibiting government money being used to buy shares in South Africa-related companies, he said.

The trade unions "passively supported" the new law, Mr Sharp said, though their state has one of the highest rates of unemployment in the US — 17% — or 733,000 workers — as a result of the decline in sales of American cars.

One of the strongest reasons for the Bill’s passage was that Michigan State University sold its holdings in companies operating in South Africa in 1978 and made more money than if it had maintained them, Mr Sharp said.

Michigan State University took the decision to slowly sell its holdings in these firms in 1978. As a result, it sold its shares in Chisicorp, Coca-Cola, Dow Chemical, Eastman Kodak, Exxon, Ford, General Motors, IBM, Minnesota Mining and Manufacturing, PepsiCo, Upjohn and Xerox.

The total effect of the changes — including changes made for purely business reasons — was a profit of more than $1 million. But a spokesman for Michigan State University said many of those sales might have been made anyway as straightforward investment decisions.

"Nevertheless, that was a powerful argument we used to show that universities would not lose by it," Mr Sharp said.

"This is part of a national divestment movement to bring pressure on the South African Government to modify its apartheid policies."

Last year the Massachusetts legislature passed a Bill calling for withdrawal of certain state funds from firms active in South Africa. The Bill was vetoed by the conservative Democratic governor, Mr Edward King, who has since been replaced by a liberal Democrat.

The University of Michigan opposed the Bill on the grounds that it supports the Sullivan principles, which set a code of conduct for American businesses in South Africa.

The State of Michigan has become an increasingly active area for debate about South Africa, since two of the best-known US spokesmen on South Africa come from that state.

Dr Howard Wolfe, the chairman of the Congressional Subcommittee on African Affairs and who is the congressman for Grand Rapids, Michigan, supported the Bill on withdrawing investment.

Mr John McGuff, the Pulitzer prize-winning friend and publisher of Dr Connie Muller, the former Minister of Information, who still maintains an office in Lansing, the capital of Michigan, opposed it.

The town of Grand Rapids, Michigan, which was represented in Congress for 25 years by Mr Gerald Ford, later to become President, passed a limited Bill against investment last year.

The new law requires state universities and colleges to sell their shares in South Africa-related firms by April 1, 1984.
Move to block
SA investment

BOSTON. — The Massachusetts State Senate yesterday overrode a 23-1 veto of Governor Edward King's bill barring public pension fund investments in companies doing business in South Africa.

But supporters of the measure, a response to South Africa's apartheid policies, had just hours left to try for a similar override vote in the House of Representatives. "If there is no final action by midnight, the veto will be sustained because the 1985 session will dissolve automatically," said the principal sponsor, Sen. Jack Backman.

More than 100 religious, labor and civic organizations backed the legislation. Endorsers said it would be "in moral" message to protest against South Africa's racial segregation policies.

Mr. King said he supported the concept, but added that mandatory disinvestment could cost the pension funds millions of dollars. He sent the bill back last month for revisions, but the legislature declined to change its stance.

The disinvestment would be accomplished over three years. The proposal bars investments in banks or other financial institutions that directly or indirectly have "outstanding loans or South Africa."

Also, "massachusetts shall remain invested in stocks, securities or other obligations of any company doing business in or with the Republic of South Africa. Proceeds from the sale of securities must be invested in Massachusetts firms." As much as reasonably possible," said one sponsor, Sen. Paul Deane, "this would cost pension funds a $20-million or more. "It would not benefit blacks in South Africa," he said, this type of economic boycott had not succeeded in the past. — Sape-AP.
Bill to divest public money

By SIMON BARBER
Washington Bureau

WASHINGTON - The District of Columbia, home of the US Capitol, is the latest entity in a growing roll of states and municipalities seeking to divest public money from firms doing business with South Africa. Borrowing directly from legislation passed in Philadelphia last year, DC Councilmember John Ray has introduced a Bill that would divest about R132 million in district pension funds from such institutions as Chemical Bank, Chase Manhattan, Manufacturers Hanover and Citibank. This represents 72% of DC's total pension fund investments.

If passed, the Bill would give the city two years to complete the divestment process. Ironically, the financial consultant who will be handling the reinvestment is with Shearson American Express, which has ties with Ray. Mr. Ray's Bill, which is currently at the committee stage, also prohibits the city from carrying on any day-to-day financial operations with South Africa-related banks.

One such bank is Libby, with which the South African embassy does business.

The Bill's chances of success are high. Washington's population is over 70% black, and the Mayor, Marion Barry, is a former civil rights activist.

Similar legislation is expected shortly in Minnesota, Kansas, California, Oregon, Texas and the cities of Minneapolis and St. Paul. This is thought to involve a total of some about R300 million in funds to be divested.
Another US state calls for divestment

WASHINGTON — The District of Columbia, home of the United States capital, is the latest entry in a growing roll of states and municipalities seeking to divest public money from firms doing business with South Africa.

In December, the Washington, D.C. council passed a bill that would divest about $1.9 million in pension fund investments from firms doing business with South Africa. This represents 12 percent of D.C.'s total pension fund investments.

If passed, the bill would give the city two years to complete the divestment process. Ironically, the financial consultant who will be handling the divestment is with Shearson American Express, which has ties with South Africa.

Mr. Ray's bill, which is currently at the committee stage, also prohibits the city from carrying on its day-to-day financial operations with South African-related banks. One such bank is First National Bank of South Africa, which has a branch in Washington.

Like laws passed recently in Massachusetts and Michigan, the bill ignores compliance with the Sullivan Principles. Its chances of success are high. Washington's population is mostly black, and Mayor Marion Barry is a former civil rights activist.

Similar legislation is expected shortly in Minnesota, Kansas, California, Oregon, Texas, and the cities of Minneapolis and St. Paul. This is thought to involve a total of some $300 million in funds to be divested.
Anti-SA investment bid sweeps U.S.

By PATRICIA CHENEY, Washington

A WAVE of rulings demanding that US companies with South African operations withdraw their investments there is sweeping American state and city governments.

In all, anti-apartheid activists have waged divestment drives in 17 states and 14 cities. Some of the more significant victories include:

- The Massachusetts Legislature last week passed a bill which orders the state's $1.550-million pension fund to sell off $601-million in assets invested in US firms with operations in South Africa. The bill also calls for that money to be reinvested in Massachusetts-based companies.

- In December the Michigan State Legislature passed a bill prohibiting public universities from making or maintaining South African-related investments after April 1 1984.

- The University of Michigan would have to divest itself of about $80-million of its equity holdings under the law.

- In Connecticut, the law requires divestment of all state pension-fund assets from US companies which have not signed the Sullivan Principles, which set guidelines to promote racial equality in the South African workplace.

- The City of Philadelphia last year removed about $50-million of its pension fund from firms with SA investments.

- Washington City Council last week introduced a bill to divest about $1.350-million in pension funds from corporations operating in South Africa.

**Non-binding**

Similar legislation is expected to be enacted in the states of Montana, Kansas, California, Oregon and Texas, and the cities of Minneapolis and St Paul.

In all, as much as $300-million in locally affected investment funds is to be divested. Several other states and cities have passed non-binding resolutions which request the divestment of public and university funds from companies doing business in South Africa.

Such a proliferation of divestment activity is due largely to the efforts of the Campaign Against Investment in South Africa (CAISA), an umbrella organisation embracing a large number of local anti-apartheid groups, unions, churches and other activist forces for disinvestment.

Since its founding in 1981, CAISA has rallied such diverse groups to persuade local and state authorities to act on the divestment issue with an intensive campaign of mass mailings, demonstrations and lobbying of state legislators.

"Such legislation," said William Johnson, president of Episcopal Churchmen for South Africa, "is the best tool to respond to the horrors of South Africa. It makes US corporations very uneasy and want to stay there."

The corporations, however, argue that their presence in South Africa helps rather than harms the country's blacks.

Not only are they providing jobs, they argue, but by their equal employment policies they also set an example to the rest of the country.

Divestment groups do not accept these arguments. The most recent state legislation does not exempt Sullivan Principles signatories from losing pension-fund investments.

It is unclear how much the divestment movement has affected US corporations in South Africa.

Spurred on by a more sympathetic Reagan Administration, total US investment in South Africa increased 13 percent to $2.650-million in 1983 from $2.300-million in 1982, according to US Commerce Department reports.

Most of this increase, however, was the result of reinvestment of earnings generated in South Africa. Only $81-million of the increase resulted from new investments.

**Cautious**

In the past few years, US companies have grown more cautious about committing new funds to South Africa, according to a report put out by the Investor Responsibility Research Centre, a Washington-based research group.

The centre attributes this partly to state-level divestment action. It cites the Connecticut law as a factor in General Electric's recent decision not to invest almost $16-million in a South African anthracite mine.
COUNTRY KIN FACE MASSIVE LOSSES

An SAU spokesman said this week farmers were anxiously awaiting relief announcements to carry them through the drought. Farmers owe the Land Bank R150 million - more than it incurred last year and in many cases they will not have crops this year and will not be able to repay their loans.

Cyclone Helena has brought rain to some parts of the country and more was expected this weekend. But for many farmers it has come too late.

The worst drought areas remain the Eastern and Northern Cape, the Free State, Northern Natal and most parts of the Transvaal.

The National Manure Producing Organisation (NAMPO) doubts whether this year's crop will yield 8 million tons - 1.4 million tons below the average production in the past 10 years.

Last year maize fetched a price of about R150 a ton. Based on this figure, farmers stand to lose about R210-million because of the drought.

Ground nut farmers are expected to lose about R90-million as the production figure is expected to fall by just under 50% from an average of 186 800 tons a year to 99 523 tons this year.

Income to farmers on sunflower seeds is expected to drop by R113-million based on the current selling price as the crop tonnage is expected to drop by 38 277 tons from an average of 329 900 tons.

Figures for losses in the tobacco crop will be released next week. The SAU expects them to be considerable due to the drought and extensive hail damage in the Lowveld.

More livestock are being slaughtered as grazing lands are laid waste.

About 50 000 more cattle and about 450 000 more sheep than usual were slaughtered in the last three months of last year.

Dr Peter Cootes, general manager of the Meat Board, said one reason for this was farmers trying to cash in on Christmas meat prices as early as September.

"But there has been pressure to get the cattle away due to the drought." He said it was difficult to predict this year's meat supply.

Broken links: SA not likely to suffer

BY GERHARD PIETERSE

NEW YORK - The decision by the State of Massachusetts to divest all state funds from American companies who have dealings with South Africa will have "little or no effect" on the South African economy, according to prominent Wall Street analysts.

Although some $131-million is involved in this divestment programme it will largely encompass a paper transaction in terms of which the State of Massachusetts officers for sale the shares they hold in companies like Ford, General Motors, the banks of America, J P Morgan Trust Company, IBM and Rank Xerox to other buyers within the United States.

None of the companies involved is South African and all the shares involved in the divestment programme are held in the US.

Massachusetts now joins Connecticut, becoming the second state in the US to impose a ban on the investment of public funds in companies doing business with South Africa.

A source close to the South African mission in New York said the Department of Foreign Affairs was watching developments "carefully and with a great deal of interest" but was not "unduly disturbed" about recent developments.
Prospects for South Africa's heavy-truck market in 1983 are good and Fodens SA should have a turnover of close to R18-million, according to the chairman, Mr Ben van der Berg.
The company's strength lies in its marketing strategy, under which products, specifically engineered to SA conditions, are only manufactured to order and to clients' specifications.
The company is heavily committed to the local content programme, especially for axles, transmissions and ADE power units.
Decision-making has been more effective since the company became wholly SA-owned in 1981 and its association with the US company Pacar Inc has proved beneficial. Both have similar engineering philosophies and marketing strategies.
Pacar, the owner of Fodens UK, manufactures the Kenworth truck, three of which have arrived in South Africa for assembly by Fodens SA.
One is for Concor Roads. The other two for Kidvil Transport, which has invested more than R1-million in Kenworth vehicles in the past five years.

Kidvil's proprietor expects to get 300 000 km from his trucks.

Kenworths have axles up to 250 000 kg, power units up to 600 hp.

According to Pacar, US owners tend to trade their vehicles in only after they have done 1 600 000 km.

As they are custom-built, owners have a choice of engines, gear boxes and axles. Clutches are designed for the type of work the vehicle is to do.

Kidvil Transport's new vehicles will be fitted, for the first time outside America, with Air Glide air suspension, which offers a soft rise when required. Self-adjusting to the terrain, it can improve tyre life.

Another feature is the extra large cab, with two bunks and standing room that can be used as a walk-in wardrobe.

Sound proofing has cut noise level in the cab to 75 dB. It is fitted with a refrigerator and air conditioning and has automatic windows. The air operated seats are ergonomically designed and fully automatic.

The picture shows the first two Kenworths being assembled.
Anglo American takes all Chrysler, sells Sigma stake

THE Anglo American group is buying the 25% stake held by Chrysler Corporation of the US in Sigma Motor Corporation.

Anglo holds the other 75% — 37% through the main Anglo American Corporation (AAC) and 38% through Anglo American Industrial Corporation (Amic).

Mr. Chris Griffith, the chairman of Sigma, declined yesterday to say how much Anglo was paying Chrysler for its stake in the South African group.

A fairly hefty sum, must however, have been involved.

In 1980 Sigma made a pretax profit of more than R10 million and in 1981, according to Amic, the figure was 6.5% higher, which would take it to about R12.5 million.

No figures are available for 1982, but Mr. Griffith has admitted that Sigma incurred a loss last year.

Apart from Sigma's particular problems, the motor industry, in heavily cyclical, and Chrysler is presumably getting less of millions of rands for its holding.

How much might depend, though, on how anxious a seller it was.

On the surface, Chrysler's decision to sell looks strictly commercial.

The US company piled up colossal debts of $3.5 billion between 1978 and 1981 and although its finances looked much healthier last year the group's future is still precarious.

In fact, it is so much in debt to the US Government that the Sigma holding sale technically requires the approval of the US authorities.

That should be a formality.

Selling overseas assets looks, therefore, a matter of necessity.

But in the past few years several overseas companies have been selling some or all of their fixed investments in South Africa.

In nearly every case commercial reasons have been advanced, but it has been difficult to avoid the conclusion that politics has played a role, even if only a supporting one, in some instances.

At any rate the Chrysler-Anglo deal represents another example of disinvestment in this country for whatever motive.

It also seems as if the deal has been structured in a fairly complicated way.

The announcement from Sigma said that "the agreement has the approval in principle of the exchange control authorities in South Africa."

Mr. Griffith said, however, that it was not a simple cash-financial operation of rands.
US-campus row over SA-money

By RICHARD WALKER
NEW YORK — Thirty-six professors and lecturers have formed a support committee to back students who have vowed to continue a hunger strike until a Maryland university sells off $8 million, invested in 15 companies active in South Africa.

Six students are now fasting in the administration building of Williams College in Williamstown. The fast began last Friday when Williams president John Chandler rejected the students' demand.

"He has to realize this is not some little band, but a serious and determined movement," said a student spokesman. "We think he is coming around to realizing this"

The 15 companies were picked for not abiding by the Sullivan equal employment guidelines for American business in South Africa. Williams College is a small, highly regarded private university.

\[
\frac{1}{1 - \rho C} = \frac{1}{\rho P W},
\]

\[
\frac{1}{1 - (\rho C + \rho P)}
\]
A new jobs deal despite SA ties

LONDON — Labour Party councillors in Lambeth have decided to go into partnership with a large commercial company to create more jobs in Brixton, despite the firm's links with South Africa.

The Lambeth Council's policy is not to deal with any company with major links in South Africa. It has already switched its bank account from Barclays and banned tarmac from future building contracts because of its South African interests.

"But the council was "forced" to go into partnership with BAT Industries because the company has a commercial scheme which will create 200 more jobs in Brixton," a spokesperson for the council said yesterday.

"The council's policy has not changed," the spokesperson said.

"It still won't do business with companies which have major interests in South Africa. But BAT has only one percent of its holdings in that country," the spokesperson said.

The spokesmen added: "It is becoming increasingly difficult to find companies without any South African business at all."

BAT plans to buy an empty department store in Brixton and convert it into craft workshops, retail shops and offices. The scheme will cost about R4 million and the Lambeth Council will contribute R12 million.

The council will have seats on the board of the company set up to run the project and it will also share the profits after the initial costs have been paid off.

A Labour councillor described the project as "exciting" and said he understood BAT companies in the Republic have the reputation of being progressive employers.
SA spent R300,000 for failed lobbying campaign

By RICHARD WALKER
New York

THE South African Government spent more than R300,000 trying unsuccessfully to prevent the passage of a Massachusetts law penalising companies that do business with the Republic, newly released records reveal.

Now state officials want to find out how the money was spent.

Jubilant anti-apartheid activists hailed the disclosure as proof of the potency of their disinvestment campaign.

They see it commemorating on South Africa's efforts to counter similar Bills pending in 10 other states.

All that is known so far is that the operation was conducted by a professional lawyer-lobbyist working closely with Ambassador Brand Fourie in Washington.

Costly failure

It ended in abject failure with only seven out of 154 legislators siding with Pretoria.

It was the costliest lobbying effort of any kind in Massachusetts last year.

It ended on January 4 when the state legislature overwhelmingly defeated an attempt by Governor Edward King to veto the Bill which prohibits state employees pension funds from investing in companies and banks doing business with the South African Government.

The State Senate rejected the veto by a vote of 23-5 and the lower house voted 112-2.

It was the first King veto ever to be thrown out and the state now has three years to sell off R100-million worth of shares and bonds by 30 companies, including many of America's largest.

Lobby agents

Documents in the Massachusetts Secretary of State's office identified Mr. Stephen Riley as the South African Government's lobbying agent, but they gave no clue how the money was spent.

Mr. Riley works for Smathers, Symington & Herlong, a Washington law firm retained by Pretoria.

Ambassador Fourie declined comment, except to confirm through information counselor Pieter Swane- poel that "the firm does some legal work for us".

"Here we have the Government of South Africa spending R300,000 and nobody knows on whom that money was spent or how it was applied to try to influence this state's government," said Mr. Michael Connolly, the Massachusetts Secretary of State.

A total of R350-million in investments has been affected by the passage of Bills over the past year, according to Mr. Dumisane Kamanzi, projects director of the American Committee on Africa and a coordinator of the disinvestment effort.

He claimed that Chrysler's decision to sell off its South African investments was in part influenced by the campaign.
US giant guns for SA

By Stan Kennedy
A major US company involved in Sasol 2 and 3 wants to increase market penetration in South Africa, arguing that it can sell good ideas and technology to several more industries.

Fluor Corporation has been active in South Africa for 20 years in engineering, procurement, construction and maintenance of some of the country's major industrial plants.

VENTURE
Among its projects are plants at Secunda, a synthetic rubber plant at Sasolburg and a refinery at Cape Town.

In 1980 it decided to become established permanently in South Africa, entering a joint venture with General Erection Holdings. This led to the formation of a locally-registered company, Fluor Engineers.

Turnover of the local company last year was R30 million. Mr. Bill McKay, president of Fluor Engineers, who is on a tour of his company's projects under construction, said this was a modest figure compared with the R16 000 million worth of work the group had in hand throughout the world.

"To be successful here we decided we had to have a wide range of capabilities to exist in your small economy. There are not enough refineries being built to keep us busy.

"We can serve not only the process industries but also the food, pharmaceutical, bulk paper, power and offshore drilling industries. We will even construct residential houses, offices and factories."

The group regards maintenance as an integral part of a project from the initial stage of a plant design.

"Maintenance costs, Mr. McKay said, ran from five to 10 percent of a company's original capital investment.

UNIQUE
Despite the recession South Africa was in a unique position, he said. The country had no oil but had overcome this lack by the Sasol plant. The shortage of artisans meant the country did not have a lot of unemployed skilled people, and it was in an enviable position being able to export precious and strategic minerals.

"You have everything going for you. You have a large black population requiring education and training, but once the process gets under way their standards will rise. This will create a tremendous internal market."

"Properly managed, you can have the greatest internal market in the world," he argued.
Hunger strike

comes out

Mail Correspondent

NEW YORK — Six students staging a hunger strike have admitted defeat in their attempt to force Williams College in Maryland to sell its $10 million invested in 31 companies active in South Africa.

The students began the strike on January 20 to protest against the companies' failure to comply with the Sullivan employment code.
Farm school given a new home

There were sheets of joy today when pupils of the St Albans Farm School moved into their new school building, erected this week.

The school was built as part of the social action programme undertaken by General Motors in Port Elizabeth.

Exactly a year ago, to the day, the motor company decided to offer a helping hand to the school principal and pupils of the farm school at St Albans, about 20 kilometres outside Port Elizabeth.

General Motors managing director Mr Lou Wilking handed the keys of the new school to the principal, Miss Regina Sili, at the official opening on the farm of Mr Craig Mennie.

Miss Sili said that when she joined the school eight years ago it was “just a mud-walled building in which we at times had to contend with snakes slithering through the floorboards”.

“Last year General Motors offered to assist in building a new school and now there it stands — we even have new toilets. We don’t have to worry about snakes or a leaking roof anymore,” Miss Sili said.

Mr Pieter Herbst, the motor company’s manager of training and development, headed the social action programme. He said that apart from General Motors’ involvement, various companies in Port Elizabeth and East London donated material for the school.

“Everybody helped to build the school — pupils included. We plan to build two more classrooms — there are already some 180 pupils — and assist with the layout of a rugby field and the relocation of the netball field.

He said the General Motors social action programme, aimed at the upliftment of living standards in the local community, is involved in 21 similar ventures involving 10,000 schoolchildren.

A happy moment for the St Albans Farm School at the official opening this week. From the left, Mr CRAIG MENNIE, owner of the farm; Mr LOU WILKING, General Motors managing director; Miss REGINA SILI, the school’s principal; and Mr PIETER HERBST, manager of training and development at GM.
Millions

Zandelberg gets his

American money sets up Prospecting Poet’s Namibian Mining Venture.
Firms trading with SA feel the heat

By SIMON BARBER
Washington Bureau

WASHINGTON. — South Africa will be the subject of 36 resolutions at annual stockholder meetings this year — up from 23 in 1982 — according to the Washington-based Investor Responsibility Research Centre.

Most of the resolutions are sponsored by church-related shareholders and call on companies to cease doing business with South Africa, or at least not to expand their operations.

Four banks — Citicorp, Philip, Wells Fargo and JPMorgan — are being asked not to make any new loans or renew old loans to the South African Government. Two other institutions, Crocker National and Republic New York, are being asked to provide detailed accounts of their South African lending policies.

But not all the resolutions are hostile. Chemical Bank, Seacoa, Shearson/American Express are each being commended by church groups for adopting policies against lending to the South African Government.

Computer manufacturers continue to be a main focus. Sperry is being asked for a list of the types and uses of the computers it has sold or leased to South African authorities or corporations with government contracts.

The company would also have to explain how it intends to ensure its equipment is not used for military purposes, and to describe its on-site inspection procedures at Atlas Aircraft, a manufacturer of military aircraft to which it has sold a computer.

Control Data, which was recently granted a licence to sell a computer to the Council for Scientific and Industrial Research, is being asked to explain how its business with South Africa is consistent with its human rights policy.

Resolutions before Standard Oil of California and Texaco require that no products or services be sold to the South African Police and military, and that all sales to South Africa be monitored to ensure no product ends up through intermediaries with the security forces.

Few, if any, of these shareholder resolutions are expected to pass. Nevertheless, they represent one of the most important modes of anti-apartheid activism in the US.

Sponsors hope the resolutions will provide adverse publicity for the target companies and thus pressure management into altering their policies.
Disinvestment won't change SA

NEW YORK — Forcing US companies to sell their investments in South Africa was not likely to end racial separation, Athol Fugard, the playwright, said yesterday at Harvard University in Cambridge, Massachusetts.

"Disinvestment is unlikely to work because American foreign policy is committed to keeping a stable situation in South Africa, even though it involves entrenching white supremacy," said Mr. Fugard, 55, at a packed seminar at Harvard's Center for International Affairs.

"Asked what the US could do to help end South Africa's policy of apartheid, Mr. Fugard replied: "If Ford and General Motors closed their plants in my home town, Port Elizabeth, they would put about 1,000 whites out of work, but they would have access to unemployment compensation," he said.

"But about 20,000 blacks would lose their jobs, and they would have nothing."
University in anti-SA controversy

NEW YORK — The University of Michigan, in Ann Arbor, plans to fight a new state law requiring Michigan state colleges to cut off their investments in South Africa.

State legislators say it's improper to invest in a nation with apartheid policies; and college officials say they should have the freedom to invest in companies such as General Motors that do business in South Africa.

The plan for university officials to defy the law spurred campus protests last week similar to those of a decade ago.

The university will officially announce its plans by meeting on March 18. University officials, however, have made no secret of opposing the law, which is expected to affect about $10 million in college investments. — Sapa-AP
THE first Yale forklift unit is delivered to Mr Joe Coetsee (seated) of the Wool Board by Mr Keith Dant of the South African LancerBoss organisation.

Forklift firms join forces

Shipping Reporter

YALE, one of the most respected names in forklift trucks, has joined forces in South Africa with LancerBoss, the British range with an established reputation for upmarket trucks in the larger classes.

The company now marketing these forklift trucks in the Republic is LancerBoss' Yale (Pty) Ltd and, according to Durban manager, Mr Keith Dent, it now markets one of the most extensive ranges of forklifts ever offered to shipping and other industries.

'LancerBoss has always had an exceptionally good name for producing large forklifts which have been well received in various container depots,' he said.

Yoale, manufacturers of the world's first forklift truck in 1935, is generally regarded as one of the finest small forklifts available.

'Together with the LancerBoss models at one end of the scale and Yale's at the other, we have the local market well covered,' Mr Dent added.

The front-end forklifts in the four-to-42-ton capacities are widely used in the handling of containers while side-loading models have been well received in other areas of cargo handling. Both types are diesel-powered.

Yale, part of the giant American Eaton Corporation, have gas, petrol and diesel-powered models available.

'We have already delivered our first Yale unit, a GLP40 gas model, to the Wool Board,' Mr Dent said.

LancerBoss, one of the main manufacturers of forklifts in England, was the first forklift manufacturer to win the coveted British Design Council award.

Yale forklifts are as-
“South Africa has a legacy of neglect of its black communities. Although it remains the prime responsibility of the government to correct this, I believe industry and commerce have an important role to play,” says the new co-ordinator of the Sullivan Code in South Africa.

For a normal society in the workplace

By Moira Levy

New life is to be given to the Sullivan Principles code of employment with the appointment of Mr Roger Crawford, Personnel Manager of Ethnor Pty Ltd, as co-ordinator of the scheme.

The Sullivan Principles, designed by American preacher the Rev Leon Sullivan in 1977, prescribe a code of management conduct for American companies in South Africa. It aims to remove discrimination and unfair labour practices.

Mr Crawford’s job will be to liaise between the seven committees behind Sullivan’s guidelines for fair employment practices, and to work in hand with South African organisations, such as the Manpower Management Foundation, involved in similar social responsibility projects.

“I see myself as a referral point,” as a base where signatory companies can find the information and knowledge they need for their projects.

When the Sullivan Principles were introduced they provoked a storm of controversy. Black community and trade union leaders slammed the proposals, saying they did not go far enough to combat discrimination and inequality in South African industry and commerce.

“We have achieved a great deal,” Mr Crawford said. “We have created a normal society in the workplace, and the rub-off effect of that is apparent.

“South Africa has a legacy of neglect of its black communities. Although it remains the prime responsibility of the government to correct this, I believe industry and commerce have an important role to play,” said Mr Crawford.

He said individual American subsidiaries could not hope to solve the deep-rooted problems of South African society — “the Sullivan Principles cannot be the panaceas for all our labour ills” — but they could provide a model for South African firms and labour officials.

The first phase of the implementation of the Sullivan Code has been largely achieved, he said. The 147 signatories have desegregated their facilities and introduced equal pay for equal work.

“But that was the easy part. Referring to the role American companies have played in uplifting black education, Mr Crawford said “providing the school buildings, equipment and facilities is not enough. Now we have to concentrate on upgrading the quality of education.”

“Last year’s black matriculation rate was very low. In spite of what we have contributed to township schools we still have matriculants ill-equipped to take part in the modern world of industry.

“The white labour pool in South Africa has practically dried up and industry is going to have to look more and more to black school leavers as their future management.”

He emphasised that his job is not to monitor the implementation of the Code; “I am not here as Sullivan’s prefect.”

He has been released from his duties at Ethnor to take up his new position for two years.
Car firm plans to feed needy

PORT ELIZABETH: General Motors has launched a company-sponsored project to provide food for those in need.

The project was re-launched because of rising unemployment. It has helped many families to feed their hungry members. The programme, initiated by the managing director, aims to provide the families of unemployed and underemployed workers in the Port Elizabeth area with food equivalent to that of more than 10,000 meals for the next four weeks.

Fortunate

Mr. Wilkie, today circulated an appeal among employees at its two Port Elizabeth plants. The appeal was directed to all employees to ask everyone to be fortunate enough to help those who are working now, and who care enough about their less fortunate friends and neighbours to share your food with them.

Employees are asked to bring in any surplus food or bring in more than two pounds of food per week. The cost of the gifts will be a period of a week for a period of a week.

Each Wednesday, care packages will be placed on the company premises.

Matched

The company will match each contribution for care packages at its two Port Elizabeth plants and has budgeted R4 for each of its 420 employees.

The gifts will be distributed to the community organisation in the community of the needy in the community of the needy without restriction to General Motors employees.

Our GM family has weathered the recession with varying degrees of difficulty, but they have done their job to the best of their ability. "Unfortunately, " the manager says, "short-term retrenchments have been essential. These people cannot wait for the economy to improve - their problem is immediate today."
Coal-mining equipment races in SA

THE MARKET for coal-mining equipment in South Africa is expected to grow faster than in any other in the world according to Joy Machinery's president, Mr Carl Heinz.

He said at the opening of a R3 million service centre in Wadeville yesterday that he expected the South African coal industry and the market for coal-mining equipment to grow at a compound rate of between 5% and 10% annually over the next 10 years.

"Major reasons for this were that South Africa had a national commitment to mine and use coal. It also had a highly developed coal industry in a developing economy."

"This means demand for coal will continue to rise at a more rapid rate than in developed countries with well-established coal industries," he said.

The operations of Joy-Machinery in South Africa provided about 12% of the 71 500 million turnover of its United States holding company, Joy Machinery, in 1982.

Joy estimates that 70% of the market in South Africa for coal-mining machinery is still capable of growth.

The number of Joy machines on South African coal mines is estimated at 2 000.

The volume of back-up and service work these machines provide for the company accounts for 20% of its annual revenue and justifies the expansion of Joy's service operations at the new site at Wadeville.

The profit margin on sales of spare parts and the overhaul of machinery is higher than on the sales of new machines.

The building housing the service operation cost R1 million and an additional R1 million was invested in the equipment required for servicing and overhauling the machines. Another R1 million is invested in spare parts inventories at the plant.

It is the first stage of a R23 million plan to move Joy's entire manufacturing operation to the 10 ha Wadeville site in four to five years.

The company's manufacturing facilities are at Steelpoort.

The timing of the next stages in the plan will depend on the growth of the South African and world economies and consequent demand for Joy's products. Mr Heinz said little growth in the SA market for coal-mining equipment was expected over the next 10 months.

Joy Manufacturing's managing director, Mr Ian Heron, said the company's service factory was Joy's vote of confidence in the long-term future of the coal-mining industry.

"It is also a reinforcement of our policy of not only providing high-quality, cost-effective mining equipment but also of supporting this equipment with the highest level of service and support services," he said.

Mr Heinz said the policy of the American holding company regarding its South African subsidiary was not to take dividends out of its operations now.

The cost of the building and its equipment had been financed entirely from earnings.

"We are planning the profits from the South African operation back into it with a view to increasing the company's size in the growing South African market.

"Those of us who regularly visit South Africa have developed an admiration for the expertise and energy we find in your mining industry."

"That industry is fast-growing and dynamic. The future for mining, coal mining in particular, is bright in South Africa and we in Joy are anxious to participate in that growth."

"Our commitment is displayed in machines like the 1210M continuous miner designed primarily for this market, and in this service centre.

"The SA content of Joy's mining equipment is 90% for cutters and loaders, 80% for shuttle cars and more than 75% for continuous miners. The company claims it has built up availability levels of nearly 90% in its parts inventory."

Final machining on a loader by last week's touting's N. The hope is that the inventory pipeline will gradually be re-filled in the

try back

US
Role of big business in a new SA

Weekend Post Reporter

BIG business in South Africa should play a major role in solving the country's growing social and educational problems and not just leave them to the Government, Mr Lou Wilking, managing director of General Motors SA, said this week.

"Multinational and large companies should become increasingly involved in uplifting general standards in the communities from which they draw their manpower," he told Weekend Post.

"Smaller companies and businesses, throughout the country, have opportunities to contribute significantly by initiating programmes and projects aimed at uplifting the general living and educational standards of local communities.

"South Africa, as a country with a fast developing economy, finds itself in a situation where many employees work in a first-world environment and live virtually in a third-world environment.

"This is a very unhealthy situation. Despite the Government's attempt to accelerate social and educational improvements, industry and commerce must be prepared to play a leading role."

Mr Wilking referred to examples of his company's commitment towards its employees and their communities.

This included financial contributions towards national and local social bodies, direct involvement in uplifting the facility standards of 21 schools in the Eastern Cape, clean-up campaigns at black secondary schools, making engines and components available to technical schools and colleges throughout South Africa for tuition purposes, and sponsoring a Junior Achievement Programme for pupils at black and white schools to help them gain a better insight into the background to business."
Roger Crawford is the new national coordinator of the Sullivan Code (SC). He is a South African and has been seconded from his post as a personnel manager at Ethnor to handle the recently-created position.

FM: How is the SC monitored?
Crawford: There is a task force to monitor progress in the application of each of the code's principles such as housing, health care and equal pay for equal work. The chairmen and members of each task force are drawn from signatory companies. All chairmen sit on the chairmen's task-force committee which has a watching brief on the overall application.

The committee of chairmen decided that a coordinator was needed to pull the whole thing together and so created this job. However, I believe the best monitor is the workforce itself.

Do you agree that since collective bargaining became common, the SC has become somewhat anachronistic?
No. When the code was established the right to bargain collectively was not institutionalised. Now it is; but this doesn't mean it's necessary to drop the SC. I understand that some black employees want greater impact and faster application of the principles, but one has to understand that the principles are being applied against the backdrop of the current SA situation. I believe that an organisation which applies the SC will in fact achieve more for its workers than any union. As a result of my experiences, I think that management has a better understanding of the needs of its own workforce than a union.

There has been talk in the US Congress of tax penalties and sanctions being imposed on American companies that do not comply with the SC's principles.
I think the pressure is going to increase. It's certainly not going to dissipate. Connecticut is the first state to have formally enacted legislation, but this is also being discussed in a number of other states. What do you feel about mandatory compliance?
I don't think anything will be achieved by forcing compliance.

However, there's a growing awareness among management that the SC principles are merely good management tools. They are being applied because management now believes that those principles are necessary to create a new SA. But Sullivan himself has voiced dissatisfaction about the performance of some signatory companies, and the fact that there are still non-signatory companies.
That is true. But the major American companies are all signatories. The majority of non-signatory companies are probably agency-type operations with small personnel complements. However, the whole thrust would be given greater impetus were all American companies to be signatories. I hope this will eventually happen.
Giants are poised to invade the micro-computer market

BY ALEX PETERSEN

THE MICRO-COMPUTER market looks set for a space-invader challenge in the coming weeks with the advent of a new range of micro-computers from from the traditional main-frame manufacturers.

The new entries are certain to lead to a sharp shake-up in margins and prices, although at the same time the big names could stimulate demand. The micro-computer market has until now been dominated by manufacturers specializing in micros, such as Apple and Commodore, but this week the prestigious IBM group launched their IBM PC (personal computer) onto the market. To add to the fight NCR will respond with their NCR Decision Mate towards the end of the month, while Europe's biggest main-frame ICL will introduce their powerful multi-terminal micro on the market in April.

The entry of the giants into the field of micros is indication of the change in the industry, both in technologies and markets. Advances in silicone chip technology have been echoed by a huge growth in market potential, with medium-size and even small businesses using micros as indispensable business aids. The market growth has clearly been too great for traditionally main-frame manufacturers to ignore, and the fight for market share looks to be intense, as it already is in the United States and Europe.

Although new in South Africa, the IBM PC has been on the US market for over a year, and its impact on the market was doubtless a factor in the recent launch of the new Apple model, the 2e, which boasted several improvements over their previous models.

Innovations

The race for innovations is one of the keys to the industry which has led to the micro's market evolution from that of the home computer to the sophisticated demands of business. The effect on price has been dramatic. Today's micro-computers can perform a range of functions which a year or two ago would have meant a computer five or six times the price.

The reduced price brings with it a potentially vast market, and the giants want a slice, preferably a big one. Anticipating the attack, Apple have cut prices. The new Apple 2e costs slightly over $4,000, complete with keyboard, monitor screen and printout facilities. With the same extras the IBM PC is slightly over $5,000, but Cape Town dealers and IBM in Johannesburg report that they have been inundated with enquiries.

The price of the ICL micro is likely to be marginally higher, but it has the attraction of being a multiple-user system, with more than one terminal programme in use simultaneously, features unique in machines in this price range, making it less costly to expand.

New strategies

To get to the potential markets the giants are having to develop new market strategies, and some radical adjustments to their normal style. In a decided departure from their traditional approach, IBM are not selling their micros themselves, but through a network of dealers selected for their expertise. The 23 dealers have all completed a course at IBM, since they will be required to provide back-up service and repairs if necessary.

ICL will have a similar arrangement, although it understands that repairs will remain a function of the group.

On the other hand, it is likely that NCR will handle both sales and service themselves in the major centres, mainly because of the technical support division they have developed for their point-of-sale terminals, although they probably have dealers in some centres.

Estimates of the size of the South African market differ, but it is clear that when the economy moves out of the downturn, it will be with the aid of a lot more competitively-priced computers.
West warns of SA disaster failing reforms

By MICHAEL ACOTT, Political Correspondent

SOUTH AFRICANS have been reminded forcibly in the past two months that Western contact with this country is aimed at ending apartheid, not bolstering the present system.

Both Britain and the United States, particularly under their present conservative administrations, are regarded by South Africa as friendly powers. They have vast direct investments in South Africa and together account for a large slice of the Republic’s foreign trade.

In two important and remarkably similar policy speeches this year, the United States and British ambassadors here have spelled out the meaning of their countries’ links with South Africa.

The US ambassador, Mr. Herman Nickel, spoke to the American Chamber of Commerce in South Africa in Johannesburg last month. The British ambassador, Mr. Ewen Ferguson, addressed the South African Institute of Race Relations in Johannesburg last week.

Mr. Ferguson said Britain and America believed in law and order, but also in the judicial process which allowed every person a day in court and a fair trial.

"That is why we cannot accept the concept of detention without trial or in the summary execution of banning, which restricts people by administrative fiat."

Mr. Ferguson said British governments, faced with their own racial problems and ethnic disasters in Northern Ireland, understood some of the problems facing South Africa.

While racism existed in Britain, racial discrimination was unlawful in a wide range of circumstances including employment, education and housing. Detention without trial of terrorist suspects ended in 1975.

There was no such notion of "terrorism," he said in a clear allusion to the differences between the British and South African systems.

"The central principles of British justice are maintained — the onus on the prosecution to prove guilt, the right to be represented by a lawyer, the right to appeal."

"No one is imprisoned for his views — only, if guilty, for his crimes. There are no "political prisoners," as organizations such as Amnesty International have freely acknowledged."

Both ambassadors said it was up to South Africans themselves to work out a constitutional solution for their own country and that moves towards evolutionary change would be encouraged. But they left their audiences in no doubt about how they would like to see things develop.

"We have made it crystal clear that when we speak of the consent of the governed, this must include the per cent of the population of this country who are black Africans," Mr. Nickel said.

"We cannot accept that they can be deprived of their South African citizenship against their will."

Mr. Ferguson on devising a system of government acceptable to South Africa.

"A South Africa moving through a process of peaceful evolution is change away from apartheid and towards a society that addresses the questions of all majorities and minorities alike."

Mr. Ferguson was no less forthright on the reasons for Britain’s continuing involvement in South Africa.

"A stable South Africa requires a system of government which is generally accepted by the people of South Africa," he said.

"It is in the expectation that economic development and prosperity will be accompanied by social and political change that we continue to believe in the value of our economic relationship with South Africa."

Britain’s preferred hypothesis for a future South Africa was one which would permit society to evolve in an organic way so as to provide a reasonably stable, reasonably secure and prosperous future for this and future generations, he said.

Both Mr. Nickel and Mr. Ferguson said ways had repeatedly been put to the South African government.

Their clear policy statements in the past two months seem designed to ensure that the objectives of American and British involvement here are understood by the wider South African public of all races.
Mr PIETER HUMAN of General Motors explains the mechanics of operating a business to these willing pupils participating in a Junior Achievement programme, run by the Centre for Continuing Education.

By LINDA GALLOWAY

It pays to learn. That's what a bunch of Port Elizabeth high school pupils are out to prove. They are running their own business through a programme called Junior Achievement.

Their programme, started in America in 1919 to teach high school students the mechanics of business, began this week.

The concept, which has developed into an international course over the last 63 years, came to South Africa three years ago and is run here by the Centre for Continuing Education. Two programmes are planned for this year.

Standard 9 and 10 pupils are given details of the course, and groups of 25 to 30 pupils of all race groups are chosen to form "mini companies".

They choose a company name, select a product to manufacture, elect a board of directors and for 12 weeks, 2½ hours a week, they run their own small business.

Each participant is expected to purchase a R1 share in the company, and to sell shares to his family and friends. Maximum share capital is R200.

Sponsoring companies provide extra financial assistance and each Junior Achievement company is assisted by a team of advisers (executive, financial, production and marketing) from the sponsoring company.

Raw materials are purchased and a production line is set up. The finished products are sold and at the end of 12 weeks the company is liquidated and a final report is drawn up. Shareholders are paid out their initial investment and also a liquidating dividend, providing the company has made a profit.

Mrs Dolores Naude, regional programme co-ordinator in Port Elizabeth, said JA gave pupils a real-life opportunity to operate a small business and to face the same problems as those experienced by companies in commerce and industry.

"It reinforces the desire of young people to establish goals and to set out and achieve them. Since 1980 we have exposed 1 257 students to business in South Africa. Our objective is to expand to every centre in South Africa and to reach as many young people as possible," she said.

"In addition to the educational aspects of the programme, pupils of all race groups learn how to work together towards a common goal, they gain self-confidence and learn the meaning of responsibility," she said.

It was difficult to choose the right pupils for the course, because there were more black than white pupils and there had to be an equal ratio.

"We need pupils with leadership ability who can communicate their ideas well," she said. "The sponsorship from companies in the area, especially large motor companies, is invaluable. Of course, we are creating their work force of the future."

Schools participating in this year's programmes include St Thomas', KwaZakale High, Victoria Park High, Andrew Build, Grey College, Newell High, Patterson High and Technical High School.
Food cans galore for needy folk

employees of General Motors at one of the “Share and Care” programme collection points at the plant. They are (from the left): Mr LYTETT BESTER, Mr CHRISTIE NAIDOO, Mr DAVID NAZO and Mrs ISABEL BOTHA.

uppet group

as venue

BY STEPHEN ROWLES
Port Elizabeth City Council will today discuss an application from the Handspring Puppet Company for the City Hall auditorium from April 4 to April 12. The company has already had to book another hall for the same period. Mr P K Botha, initially turned down the application because of the “commercial nature of the event and the risk of damage to the auditorium.

The company appealed against this decision and the Recreation and General Purposes Committee recommended that the application be granted.

However, because the company had to secure a venue in advance of the production’s opening it will now have to produce the St John Methodist Hall. The issue was discussed at the monthly meeting to be held in advance of the meeting with the Victoria Park Sports Club for possible improvements and alterations.

The declaration of the Horse Memorial as a national monument by the Premier from the Port Elizabeth Technikon for the purpose of providing funds to cover the price of land bought

Fun for young anglers

Post Reporter
UITENHAGE — Young anglers can while away their holiday time at Willow Dam from Monday to Friday next week.

It is to be open for a week during the school holidays.

The Director of Parks, Mr Reg Pasley, said that because the municipal offices would be closed on Monday, the young people could go straight to Willow Dam and fish between 8 am and 5 pm, without having to obtain permits.

Mr Pasley also said Uitenhage swimming pools would be open during the Easter weekend, with the exception of tomorrow.

All accommodation has been taken up at the caravan park and rondavels at the Springs.

Firm’s workers ‘share and care’

Post Reporter
A PORT ELIZABETH motor company’s “Care and Share” programme has so far collected more than the equivalent of 8,000 cans of food for distribution to unemployed people in the Eastern Cape.

Mr Peter Sullivan, public relations manager of General Motors South African, said the scheme was intended to help alleviate problems caused by economic pressures and unemployment that had left many people in the area unable to meet basic needs.

Employees were asked to bring two cans of food or a donation of R1 once a week for four weeks. The company will match the contributions can for can and rand for rand.

Since March 9, collection bins and money boxes have been placed at strategic points on the company’s premises each Wednesday.

The gifts will be distributed through a local welfare organisation — not only to former GM employees.

The managing director of the company, Mr L H Wilking, said the programme, based on successful campaigns launched by branches of the parent company in the United States, was designed to enable the employed to share with those less fortunate.

Each employee received notification of the programme and weekly reminders were placed under the windscreen of employees’ cars.
Anti-SA groups plan new action

By SIMON BARBER

WASHINGTON — Organizers of the campaign to force state and municipal governments to sell public investments in companies doing business with South Africa have scheduled a two-day conference in Boston next week to plan their strategies for the coming legislative year.

Lawmakers, union leaders and churchmen from around the country will attend the conference.

Twenty-five states and at least 10 cities are currently engaged in some activity to pull public funds out of corporations and banks that operate in South Africa.

The local disinvestment movement is being co-ordinated in part by Mr. Dumisani Kumalo, an exiled South African journalist, who is with the New York-based American Committee on Africa.

Laws calling for the removal of pension funds from companies with South African dealings have been passed in Massachusetts, Michigan, Connecticut and the city of Philadelphia.

Similar bills were either vetoed by legislatures or voted down by governors in California, Minnesota and Wisconsin.

Other states targeted for disinvestment action are Alabama, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Nevada, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Texas and Washington DC.
AM International still OK in SA

By Julian Kraft

UNDAUNTED by the domestic troubles of its American parent, AM International in South Africa is forging ahead and expects to increase market share in all the areas where it is active.

The principal, which struck problems in 1981, is now on a recovery path, having achieved a R14,4-million turnaround in a year, with a net income of R1,8-million in its second quarter ended January this year after suffering a loss of R12,6-million in the same period last year.

The effect of these setbacks on the local operation, however, has been minimal, and in the current year ending June turnover is expected to be R18-million, representing a 5% increase over last year.

The introduction of a variety of new products is predicted to bring more marked growth in 1983/84.
Depend

Tougher squeeze on U.S. firms with SA links

Regulation

By PATRICIA CHERNY

American Express, which owns American Express Bank, is among the American firms that have been squeezed by the recent tightening of regulations. The bank has been forced to restructure its business in order to comply with new requirements. The firm has also had to pay higher costs for its services, which has affected its profitability. As a result, the firm has been forced to cut back on its operations and reduce its workforce. The firm has also had to invest heavily in compliance measures in order to stay in compliance with regulations. The firm has also had to increase its prices for its services, which has had a negative impact on its customers. As a result, the firm has had to find new ways to generate revenue in order to stay competitive. The firm has also had to invest heavily in marketing and sales in order to attract new customers. Despite these challenges, the firm has managed to maintain its market share and continue to be a leading player in the industry.
Chicago mayor is bad news for Pretoria

By GHERHARD PIETERSE

CHICAGO — The newly-elected black mayor of Chicago is to start withdrawing the city's cash from firms which have links with South Africa.

Sources close to Mr Harold Washington said this would be one of his first major tasks.

A South African Government source said although Mr Washington's planned action will have no immediate effect on the South African economy — it will simply mean a change of ownership in the shares of affected companies — it could have a psychological effect in the long term.

The divestment plan — said to involve about R420-million in city pension plans and other city funds — will involve such corporate giants as IBM, Rank Xerox, Ford and General Motors.

A Wall Street stockbroker said the action could mean some heavy losses for Chicago.

"Many of these shares were bought when the market was at a very high level some years ago and although the Dow Jones Index is currently at a near all-time high, many of these stocks, such as Ford and General Motors, have not recovered."

"By selling them off at this point, Chicago is bound to incur some heavy losses," he said.

Chicago will follow Michigan, Nebraska, Kansas and Massachusetts which have already enacted legislation prohibiting future investment in companies with South African business ties.

Mr Washington's election to Chicago's highest office may also spell further bad news for South Africa.

Plans are already under way for him and Atlanta's Mayor Andrew Young to form a loose alliance with other black mayors for the exclusive purpose of putting pressure on the Reagan Administration to renounce its policy of constructive engagement.

State Department sources in Washington admitted that the events in Chicago were being "closely watched" and that the mobilization of the city's black community could repeat itself on a nationwide basis.
CAMBRIDGE. — Students at Harvard University have launched a campaign to place class gifts into an account until the university stops business dealings with companies which have investments in South Africa. More than 140 members of the 1,500-member senior class donated R2 600 to Endowment for Divestiture on the first day; a spokesman said.

The money collected will be held until the university rides itself of the stock in the companies or for 20 years, when it will be turned over to a private charity.

The spokesman said R272-million of Harvard's R2 000-million endowment is invested in companies which do business with South Africa. He said 155 companies were involved. — UPI.
An apology and a promise

There are many readers who want The Star, but are not getting it. Please accept our apologies. Production of the new Star has been erratic, mainly because our giant new presses have developed a number of unforeseen idiosyncrasies. Street sales have sometimes been delayed or curtailed. At the cost of losing sales we have ensured that our subscribers—who paid in advance—get their papers first—even if it is a first edition copy.

Please bear with us in our technical teething troubles. We promise you full, fast deliveries soon.

INDEX

WORLD

1. Taiwanese elections
2. Argentine elections
3. Asian Views
4. Star's Page
5. Setback

METRO

1. Inn's latest
2. Piracy
3. Ergo
4. Charities
5. The Times
6. On
7. Cuts
8. Saturday
9. 24

TODAY!

1. Today
2. Diary
3. Stars
4. Today

TODAY!

1. Today

ONIGHT!

1. On
2. View
3. The Fabulous
4. On

CLASSIFIED

1. Classified
2. Wanted
3. Classified
4. Wanted

TEL: 633 9111

US firms in SA urged to play fair

WASHINGTON — The White House said in a statement yesterday it neither encourages nor discourages US private investment in South Africa but feels firms investing in the country could encourage peaceful change in apartheid.

The statement endorsed a February 16 speech by Mr Herman Nickel, US Ambassador to South Africa, who said US companies had the potential to be a positive force for such change.

The White House statement said: "Disinvestment as a solution to apartheid does not enjoy universal support among those it would purport to assist."

The Reagan Administration, though neutral on the question of investment in South Africa, believed US companies did invest there should follow fair employment practices, the statement said.

It said US companies had responsibilities as employers to provide fair employment opportunities to all and sufficient training so that the phrase 'equal pay for equal work' has real meaning for all South Africans.

Last week 24 US religious, labour and civil rights groups said US policy on South Africa "will alienate the American government from the majority of nations of the world".—Reuters.

The Duke's last love affa

NEW YORK — Actor John Wayne's last words to his secretary Pat Stacy as he lay dying were: "I love you." And now it has been revealed that they had a five-year love affair. Yet Wayne — "The Duke" as he was known — refused to press his estranged wife Pilar for a divorce because he was 34 years older than Miss Stacy.

Miss Stacy worked for Wayne from 1972 until he died of cancer, aged 72, on June 11, 1979. She is revealing details of their romance in "Duke, A Love Story", due to be published in June.

MONEY!

THE MAN BARCLAYS GOT GOING

MONEY!

THE COST OF HITCHCOCK'S PRANKS

MONEY!

HOLIDAY INN R 2 000 CAN BE YOURS

Bomb blast points to Arafat's policies, An interview with a Palestinian leader

A Glance at the World

Israel settlement delay
US Govt will not support disinvestment in SA

By Neil Larssen,
The Star Bureau

WASHINGTON — The Reagan Administration has no intention of heeding calls that it support disinvestment in South Africa.

As the chorus for disinvestment strengthens in the United States, the Administration has repeated its belief that South Africa will find it easier to move from apartheid only if its economy is sound.

A State Department spokesman said yesterday that "disinvestment as a solution to apartheid does not enjoy universal support among those it would purport to assist".

He was replying to newsmen's questions about a growing campaign to boycott companies that do business with or invest in South Africa — and to a move here to persuade the Administration to consider economic sanctions against South Africa as a means of speeding up the Namibian settlement process.

Such a call was made last week by a coalition of 24 American research, civil rights and trade union bodies representing 15 million people.

The State Department spokesman said that as a general policy, the US did not think government should make suggestions about how investors should invest their money.

"In respect to South Africa, the US has neither encouraged nor discouraged investment."

But he cited a speech in South Africa on February 16 by the American ambassador, Mr Herman Nickel, who said US companies had the potential for being a positive force for peaceful change in South Africa.

He recalled Mr Nickel's comment that if it was the aim of disinvestment to slow down South Africa's remarkably resilient economy, we all know who will be the first to pay the price for the dubious gesture of solidarity

The ambassador had also indicated a peaceful transition from apartheid would be easier against a background of adequate economic growth.

The spokesman said that once American companies had decided to invest in South Africa, the US Government strongly encouraged them to adhere to the Sullivan code, the voluntary code of fair employment practices.

The code was viewed as a useful means of focusing the attention of American companies on their responsibilities to provide fair employment opportunities for all and sufficient training so that "equal pay for equal work" had a real meaning for all South Africans.

He cited Ambassador Nickel's statement that to the extent that foreign investment contributed to South Africa's industrial growth, it also helped to change peacefully the status quo.
Disinvestment no solution, says US

Argus Foreign Service
WASHINGTON. — The Reagan Administration has no intention of heeding calls that it support disinvestment in South Africa.

As the chorus for disinvestment grows in the United States, the Administration has repeated its belief that South Africa will find it easier to move away from apartheid only if its economy is sound.

A spokesman for the State Department said today: "Disinvestment as a solution to apartheid does not enjoy universal support among those it would purport to assist."

He was replying to newsmen's questions about a growing campaign to boycott companies that do business with or invest in South Africa — and to a move here to persuade the administration to consider economic sanctions against South Africa as a means of speeding up the Namibian settlement process.

CALL MADE

Such a call was made last week by a coalition of 24 American research, civil rights and trade union bodies representing 15-million people.

The State Department spokesman said that as a general policy, the US did not think the government should make suggestions about how investors should invest their money.

"With respect to South Africa, the US has neither encouraged nor discouraged investment."

PAY THE PRICE

But he cited a speech made in South Africa on February 16 when the American ambassador, Mr. Herman Nickel, said that US companies had the potential for being a positive force for peaceful change in South Africa.

He recalled Mr. Nickel's comment on disinvestment that if it was the intention to slow down "South Africa's remarkably resilient economy, we all know who will be the first to pay the price for the dubious gesture of solidarity."

The ambassador had also indicated that a peaceful transition away from apartheid would be easier against a background of adequate economic growth.
Declining role of foreign investment in S.

Johannesburg — Foreign investment in South Africa is playing a steadily declining role in the total economy. This applies both to overseas interests in factories and other fixed assets and in shares.

According to the Reserve Bank, South Africa's foreign liabilities for direct and non-direct investment in 1975 were R16 548 million at the end of 1975.

By the end of 1980 they had risen only to R25 483 million — an increase well below the inflationary rise of gross domestic product in money terms.

These are some of the main disinvestment actions in recent years:

- Kohler pays R24 million to DRG of Britain for its control of DRG South Africa (1983).
- ITT of the US sells its 32 percent stake in Aliche to South African interests for R37 million (1980).
- Bridon of Britain sells its 39 percent holding in Haggie of South Africa to Anglo American and Genecor for R57 million (1980).
- Asea of Sweden sells an 18.8 percent holding in Asea South Africa to Anglo American Investment Company (Amic) for R44 million. This gives Amic effective control of Asea SA (1980).
- Haggie pays nearly R25 million to McKechnie Brothers and Delta of Britain for 50 percent of Macdem, South Africa's largest manufacturer of copper, brass and bronze semi-manufactured products. It also has an option to buy the other 50 percent over 1985-89.

- British Steel sells its interests in Stewarts & Lloyds and Dorbyl of South Africa for R57 million, basically to Anglo American and Mckler (1981).
- Tate & Lyle of Britain sells 49 percent of Illovo Sugar to C G Smith for R58 million (1977).

Technically that is not disinvestment from South Africa but the implications are similar.

- The pension fund of Marks & Spencer of Britain sells just over 10 percent of Woolworths S A to South African interests for around R8 500 000 (1978).

- GEC of Britain sells 50 percent of its South African arm to Barlows for more than R27 million (1978).

- Chrysler of the US sells its 25 percent holding in Sigma S A for R16 500 000 (1983).
Control plans on US firms

From SIMON BARRER.

WASHINGTON. — In what could be its most damaging sortie so far against the Reagan administration's Southern Africa strategy, the House of Representa-
tives' foreign affairs committee yesterday accepted an amendment making it compulsory for US companies in South Africa to abide by fair employment stan-
dards or face fines and other penalties.

The amendment, submitted by the former chairman of the Africa subcommittee, Mr. Stephen Solarz, also bans private US bank loans to the South African government, except for loans for educational, housing or health facilities on "a totally non-discriminatory basis" in areas accessible to all population groups.

Imports of Kruger Rands would also be prohibited.

The State Department would be required to monitor compliance. Because the amendment deals with banking practices, it must now be referred to the house banking committee, which will have 30 days to consider it.
WASHINGTON—In what could turn out to be its most damaging sortie so far against the Reagan Administration's southern Africa strategy, the House Foreign Affairs Committee yesterday accepted an amendment mandating US companies in South Africa to abide by fair employment standards under threat of fines and other penalties.

The amendment, offered by former Africa Sub-committee chairman Stephen Solarz, was attached to the Authorisation Bill funding the State Department for the next two fiscal years.

It also bans private US bank loans to the South African Government except for certain purposes.

"Loans for educational, housing or health facilities' operated on a totally non-discriminatory basis ... in areas accessible to all population groups' are allowed.

Further US imports of Kruger rands would additionally be prohibited.

The measure was approved after a compromise amendment proposed by Mr Mark Sijander, a Michigan Republican, that would have removed the banking and coin clauses and would have made the employment code resolution non-binding, was overwhelmingly rejected by the Democrat-controlled committee by 21 votes to 12.

Because the amendment, known as Title VII of the State Department Authorisation Bill, deals with banking practices, it must now be referred to the House Banking Committee which will have 30 days to consider it.

Tax credits
In original form, it would also have to have gone before the House Ways and Means Committee because it required the Internal Revenue Service to deny tax credits to companies failing to abide by the labour code.

However, Mr Solarz chose yesterday to delete that clause rather than face a further delay in getting his legislation to the House floor.

The employment practices Mr Solarz is calling for are a strengthened version of the Sullivan Principles and contain elements of the EEC code.

The State Department would be required to monitor compliance.

Debate at yesterday's session was extremely heated. Deputy Assistant Secretary of State Frank Wisner said: "This is confrontation legislation which will not bring about change in South Africa. ... It makes if even more difficult for American companies to be on the cutting edge of change."

Protected
Mr Wisner insisted that 70 percent of the South African blacks employed by 146 US-controlled firms were already protected by the Sullivan Principles.

Mandating adherence, he said, would put even those companies abiding by the code at odds with the US Government.

"Instead of working with us, they'll be asking their lawyers to work out a defence against what are now fair-minded, voluntary employment principles."

Mr Howard Wolpe, chairman of the Africa Sub-committee, fired back that half of the US companies supposedly complying with the Sullivan Code were not delivering the regular reports the code required.

The Administration's policy of constructive engagement had 'implicated the US in the South African Government's repression... the minimum we can do is to redress the damage that has already been done'.
US firms face SA job rules

By John D' Oliveira
The Star Bureau—5 MAY 1983

WASHINGTON — Liberal Democrats have won committee approval for legislation to make fair employment practices mandatory for American corporations operating in South Africa.

The legislation would also ban the sale of Krugerrands or any other South African gold coins in the United States and prohibit new bank loans to the South African Government or its agencies.

Members of the House Committee on Foreign Affairs approved the amendment attached to the State Department Appropriation Bill by 21 votes to 12.

In the process, members defeated an amendment supported by the Reagan Administration calling on American firms in South Africa to adhere to the Sullivan Code of fair employment practices.

A committee spokesman said this was the first time it had considered legislation specifically affecting South Africa. The Bill now goes to the floor of the House where it is expected the Democratic Party majority will endorse it — with the South African amendment.

Meanwhile, the Senate has already approved its version of the Bill — complete with a Republican-sponsored amendment that would give the United States Ambassador in South Africa $1 million for each of two years to make $10,000 grants to organisations working for a “just society” in South Africa.

Under congressional procedure, both versions will be considered at a conference of Senate and House representatives. If they can work out a compromise, the Bill will go to the President for his signature — or veto.

Observers believe it is possible the compromise Bill to emerge will include the section making fair employment practices mandatory.

Because the Administration needs this Bill to run its massive foreign affairs operation, the President may be forced to accept the legislation — and the State Department would then have to set up a bureaucracy to draft a United States code to replace the Sullivan Code and to enforce the new law.

Administration spokesmen have said this would place the State Department in an impossible situation. The Administration has opposed the amendment.

The amendment originated last year in the so-called Solarz Bill (named after Representative Stephen Solarz, a liberal Democrat from New York who is an outspoken critic of South Africa and a former chairman of the House Sub-Committee on Africa).

The “Solarz Amendment” is the first fruit of a planned drive by liberal Democrats to push legislation on South Africa in the House whenever possible.
Aim for SA blacks, US businesses told

NEW YORK — American companies in South Africa were catering to whites when they should be concentrating on black customers, says a writer in the Harvard Business Review.

In South Africa, according to Mr. Howard Schomer, "most of the 400 US businesses not in the minerals extraction and export sector produce mainly for the white market. This is not good business." By the turn of the century, blacks will make up almost 90% of South Africa's population.

"Savvy companies should follow the lead of those in the manufacturing and processing fields that have long made products that are in demand in the black communities," says Mr. Schomer, who defines the black community as now accounting for about 30% of the Gross National Product. It urgently needs better housing, transportation, from township to work site, after-hours schooling, disease detection, and remedial health services.

Mr. Schomer, a theologian and a consultant on social policy to investment portfolio managers and industrial corporations, says in his article that "even faced with a climate of repression," an American company "cannot enter directly into South Africa's political process." American executives should make it clear that they believed in the recognition of all South Africans as full citizens, he said. They should not support the Government's policy of separate development in any way, for example by making an investment in the so-called homelands. They should refuse to locate plants in border towns, surrounding the homelands, where they would profit from what has become real internment camps." — Sapa-AP.
Congress battle over SA ties

From SIMON BARBER

WASHINGTON. — The Reagan administration's policy of "constructive engagement" towards South Africa is under major congressional assault for the first time since its inception in 1981. Legislation is now before Congress that would dramatically change US-SA relationships. The measures are:

- The Solarz amendment to the State Department Authorization Bill, requiring US subsidiaries in South Africa to comply with a stricter version of the Sullivan employment code, banning the import of Krugerrands and effectively prohibiting US bank loans to any entity of the South African Government.
- The Patterson amendment to legislation providing an additional $8.4-billion in US contributions to the International Monetary Fund, that would require the US to vote against all future South African applications to use fund facilities.
- The Howard Berman amendment to the Export Administration Act, which gives the President the powers to control US exports for national security purposes and must be renewed by September 30, reimposing controls relaxed by the administration on exports to South Africa.
US ‘principles’ man calls for tougher SA line

11 MAY 1985

By John D’Oliveira, The Star Bureau, Washington

WASHINGTON — The Rev Leon Sullivan has called for tougher action against American corporations which did not comply with his “fair employment code in South Africa.

Mr Sullivan said in the Washington Post yesterday that just as his “Sullivan principles” are applicable to American companies, there should be no new expansion in South Africa by American companies, no new bank loans to the South African Government and no sales to the South African Police or military.

He said the application of his principles during the past six years had marked the beginning of a revolution in industrial race relations in South Africa.

Unfortunately the necessary pace changes were not happening fast enough. Visible, broad, effective and quick change was imperative.

Compliance with the principles had to be made mandatory by the United States Government.

Mr Sullivan’s article echoed some of the evidence he gave before the House Africa Subcommittee last year when it considered legislation passed by New York’s liberal Democratic, Mr Stephen Solarz. The legislation — dubbed the Solarz Amendment and now tagged on to the State Department Authorization Bill — calls for mandatory application of a “fair employment code” by American corporations operating in South Africa, the ban on the sale of South African coins in America and a prohibition on new bank loans to the South African Government or its agencies.

The Bill was endorsed by the sub-committee last week by the full House Committee on Foreign Affairs. It will shortly go to the floor of the House for debate.
The Bills sponsor, Mr. Solari, meanwhile, has indicated that if the amendment to control U.S. exports for South Africa is not accepted by the House, he will introduce another amendment to make the foreign policy act a similar measure to control American sales to South Africa.

Meanwhile, the Senate has voted to send a non-binding resolution to the U.S. Senate, urging the President to use executive authority to stop all sales of arms to South Africa. The resolution was passed with a vote of 51-49, with the Democrats in favor and the Republicans opposed.

Mr. Solari also stressed that his amendment was needed to prevent a repeat of the situation in 1978, when the U.S. Senate voted to send a similar resolution to the U.S. Senate, only to have the resolution defeated.

Senator Jackson, the Chairman of the Senate Foreign Relations Committee, said that the resolution was needed to show the world that the U.S. was serious about ending the arms embargo on South Africa.

The resolution was introduced by Senator Kennedy and was backed by a majority of the Senate, including both Republicans and Democrats.

The resolution was later approved by the House, on a vote of 218-208, with Republicans in favor and Democrats opposed.

The resolution was then sent to the President, who signed it into law. The President later issued a statement saying that the U.S. would continue to enforce the arms embargo on South Africa.

The resolution was seen as a significant victory for the anti-apartheid movement, which had been campaigning for years to end the arms sales to South Africa.

The resolution was also seen as a significant blow to the South African government, which had been relying on the U.S. for military aid.

The resolution was supported by the United Nations, which had also been calling for an end to the arms sales to South Africa.

The resolution was also supported by a number of other nations, including Canada, France, and Germany.
Alfa’s dispute with union ends in Rome

By STEVEN FRIEDMAN
Labour Correspondent

IN AN unusual move, a dispute between the motor company Alfa Romeo and a local union has been settled — at a meeting in Rome.

As a result of the settlement, the National Automobile and Allied Workers Union (Naawu) has won recognition at two of Alfa’s Transvaal depots and the reinstatement of three union leaders retrenched by the company, according to a union statement released yesterday.

In return, Naawu will drop its current industrial court action against Alfa.

The Rome settlement followed intervention on Naawu’s behalf by the Italian Metal Workers Federation, the FLM, and the powerful International Metalworkers Federation, of which Naawu is a member.

The meeting which led to the settlement took place on Monday and was attended by representatives of both the FLM and the IMF, as well as Alfa’s South African chairman Dr Vito Bianco, and Naawu organiser Mr Tally Adler.

The settlement was signed in Rome by Dr Bianco and Mr Adler.

In a statement yesterday, Mr Fred Sauls, Naawu’s general secretary, welcomed the outcome and “the spirit in which the agreement was reached.”

Mr Sauls said it was “clear” that “the only way to counter the power of the multinational corporations is to establish close links such as those which exist between the unions of the Italian metalworkers and Naawu.”

He said this would “prevent the companies playing workers in another country off against workers in South Africa.”

An Alfa spokesman said the company would not be in a position to comment until its representatives at the Rome meeting returned to South Africa.

The dispute between Alfa and Naawu arose when the company refused to recognise the union at its Wynberg depot. The union claims it then “foisted” a works council on workers against their will, but Alfa denied this.

The company also denied a charge by Naawu that 16 workers at the depot were retrenched in an attempt to “victimise” worker leaders.

According to the Naawu statement, the company agreed at the Rome meeting to recognise Naawu at its Wynberg and Tijisa Park depots.

“The company confirms it is not against unions in general and Naawu in particular and will not interfere in any of the union’s actions at its plant in Brits and will assist in discussions with workers there.”

Alfa had also agreed to reinstate a worker leader, Mr Thomas Mathele, who had been retrenched.

Two other union leaders at the plant, Mr Lazarus Ngoepe and Mr Hendrick Fao, would be offered temporary work with the undertaking that they would be taken on permanently if business improved, Mr Sauls said.

It is understood that the retrenchment of the other 13 workers may be taken up later.
Mr DALTON LE GRANGE, chairman and managing director of PE-based British United Shoe Machinery (South Africa) (Pty) Ltd, has retired after 45 years' service.

Mr John Begg, formerly with the parent company's Leicester operation, is to succeed Mr Le Grange in Port Elizabeth.

The BUSM operation is a subsidiary of the Emhart Corporation of Hartford, Connecticut, whose machinery group has been restructured into two groups, namely the shoe machinery group (SMG) and the footwear materials group (FMG).

This reorganisation is designed to give more impetus to the product lines, with the objective of improved products and service to the customer.

Mr John Begg is director of the SMG unit, and Mr Pieter Schoonee director of the FMG unit.

Several other new appointments have been made. Mr Robert Morris, who has been general manager, fastener division, and Cape Town branch manager, has been appointed manager, shoe machinery and Mr Clive Brunette, Johannesburg branch manager, will be manager press, cutting and general machinery.
Baltimore call for 'divestment' in SA

BALTIMORE — Two city council members have introduced legislation that would prohibit Baltimore, Maryland, from investing public money in American companies that do business with South Africa.

Two council members, Mr. Kwesi Murne and Mrs. Mary Pat Clarke, both Democrats, said last night that South Africa's strict racial segregation should not be supported by funds from a primarily black city.

Baltimore's population is about 80% black.

The bill would require the employees' retirement system to divest pension fund assets within two years. It also requires the council to vote against investments. The local council would be against this decision.

Mr. Murne said: "It also makes a statement on the part of the city that has a majority black population."

But the city's pensions and investments manager opposed the legislation as impractical: "I don't want to be made a policeman of investments policies of major American companies," said Mr. Murne.

Mr. Leslie, there are a lot of blue chip companies (in) which Baltimore has invested, and which we don't know if they have a lot of investments (in South Africa).

The city has about $700 million in pension funds, but Mr. Leslie did not know how much of that was invested in companies that do business with, or in, South Africa.

The State of Massachusetts and several municipalities have already adopted similar divestment laws.
WASHINGTON — Leaders from two religious denominations yesterday urged Xerox stockholders to modify the company's policies and business practices in South Africa.

"We cannot in conscience continue to bankroll apartheid oppression," the Rev. Charles Lutz of the American Lutheran Church said in remarks prepared for Xerox's annual stockholders' meeting.

"We believe it is time for shareholders to tell the board of directors that it is not possible to continue to profess adherence to the ethically and socially sound principle of non-expansion and then to go on expanding."

Mr. Lutz was joined by Dr. Avery Post, president of the United Church of Christ, in presenting two stockholder resolutions to the Xerox meeting which ask the company to adopt a "No expansion" policy in South Africa and to end sales to South African Police and military units.

"By its very nature, apartheid is an affront to the basic notion of human dignity," Dr. Post said in remarks prepared for the meeting. He said apartheid, South Africa's legally enforced racial segregation laws, "assigns the non-white majority of South Africa to perpetual and enforced inferiority."

Dr. Post also commended two other corporations — Eastman Kodak and the Caterpillar Tractor Company — which have not only declined to sell equipment to South African military or police, but also monitor through various means the end destination of their products. — UPI.
US business urged to stay in SA

BY HAROLD FRIDJHON

No good purpose would be served by American disinvestment from South Africa, Mr Jan Steyn, executive director of the Urban Foundation, told a seminar of 100 businessmen in New York.

This seminar is one of four organised by the Standard Bank. The others will be held in Pittsburgh, Chicago and Los Angeles. Speakers will include Mr Henri de Villiers, managing director of Standard Bank; Mr Manfred Schutte, general manager, international division; Mr Edie Theron and Mr Div Geerlingh, of Standard Merchant Bank; and Mr Andre Hammeaux, group economist.

The other members of the team are Mr Steyn and Mr Chris Saunders, chairman of the Tongaat Huilett Group.

Mr Steyn said US corporations could continue to play a positive and beneficial role in promoting change in SA.

"It is significant that this role is seen most clearly in the field of industrial relations and that industrial relations is precisely the field in which significant reforms have been achieved."

He stressed that this was not a pragmatic view. The issue was one of fundamental principle and debate about the desirable and likely course of reform in South Africa.

The assumption behind the disinvestment strategy was essentially that significant reforms were not possible through non-revolutionary pressures and the weakening of the industrial system was a first step to the overthrow of the whole system. This assumption had to be questioned.

A second assumption was that the South African Government would respond with sweeping reforms if the threats of disinvestment became serious and the economy really suffered.

"This is a fundamental miscalculation, and implies either a violent confrontation or a protracted period of misery and unemployment for all under a stagnant economy."

"I cannot see that any proponent of peaceful, non-revolutionary change can support that prospect."

Most organised black opinion in South Africa did not support disinvestment by US companies. It favoured the vigorous support of well-directed, carefully monitored, positive investment. By doing so US corporations would contribute to reform in South Africa.

Mr Steyn spoke about social, political and economic change and expressed disappointment that nothing had happened on an official basis after the De Lange report on education.

This report was the first qualitative assessment of the South African education system in 30 years and followed the unrest, especially in the coloured schools, in 1986. It was "a shining example" of a reformist document, and for while it seemed as though it was the start to the process of consultation and compromise which could lead to generally acceptable reforms in a key area of national life. But little of note had happened at policy level. An official reaction to the report had been promised for early in 1988. But none had been forthcoming and it was unlikely any legislative action would come before 1984.

No noteworthy policy reforms had taken place in education in the past three years, but quantitative changes had been made. Expenditure on black education was R475-million last year and was budgeted to reach R611-million in the current financial year. More black children went to school and stayed there longer and "new buildings are erected almost daily".

Mr Steyn warned that unless Government action was taken soon on some of the key recommendations of the De Lange report "the impetus of the investigation will be frustrated, with grave consequences".
INDUSTRIAL RELATIONS

Code's utility

Endorsement of the Sullivan Code of employment practice by South African companies could aid organisations opposing disinvestment legislation in the US, says Fred Ferreira, Ford's director of industrial relations.

Speaking at the Afrikaanse Handelsinstituut congress this week, Ferreira pointed out that SA companies — and not just subsidiaries of US companies — are free to subscribe to the Sullivan principles.

"Endorsement of this specific code offers a great measure of protection to those companies in America which are coming under pressure from legislation aimed at enforcing the withdrawal of investments from companies with South African connections," he said.

"About half of the American states, as well as a large number of cities, have already either adopted such legislation or initiated it."

In addition to damping the fire of the disinvestment lobby, endorsement of the code by SA companies could, to some extent, cancel out the negative reaction to the Orderly Movement and Settlement of Black Persons Bill, Ferreira said. Groups in favour of disinvestment have focused particular attention on this Bill.

Ferreira also spelt out a number of measures the SA government can adopt to promote better labour relations. Among these are:

- The granting of full property ownership to urban blacks;
- Allowing unregistered unions entry to industrial councils;
- The granting of official State sanction to agreements concluded on the factory floor; and
- The decriminalisation of strikes.

Ferreira said the right of members of industrial councils to veto the entry of new unions should be scrapped. Entry should be based on representation only, he said. Collective bargaining agreements should also not be arbitrarily extended to non-parties without taking their wishes into account.

He also warned that "as long as the State exposes people to police detention without trial, there will be suspicions about the State's motives, especially where union leaders are concerned." In such cases, suspicion was also directed at the employer, he said.
South Africa: beyond fair employment

Howard Schomer

Action that companies can take now to foster justice and stability

May/June 1983

Most international companies would like to remain neutral observers wherever they operate. But there are countries where the mere fact of sizable operations makes corporate neutrality an illusion.

The repression of the black majority by the white minority in South Africa is building toward an explosion that could have devastating consequences for both South African society and the foreign companies in its midst. Howard Schomer says that business can and must do much more than ignore the color line in its employment practices. He lays bare the key features of apartheid oppression and offers practical suggestions for appropriate corporate action.

Howard Schomer is a theologian, a minister with the United Church of Christ, head of Howard Schomer Associates, and a consultant on social policy to investment portfolio managers and industrial corporations. He has made a name for himself as a negotiator with corporate management for institutional investors concerned about such public interest issues as South African investments, and serves as the Non-Governmental Organization representative of the International Christian Union of Business Executives to the Economic and Social Council of the United Nations.

Executives of companies with interests in South Africa have known for some time that neutrality toward the government's policy of apartheid is at least irresponsible, if not downright dishonest. Few actually agree with the notion that enshrining white supremacy as a constitutional principle is a defensible political course.

And so they've done something about it. When the government of Prime Minister Pieter Botha allowed limited yet independent black unions in 1979, for example, some companies immediately began to negotiate with representatives of blacks and bypassed the government-supported labor organizations, which are dominated by whites. Fully 30% of the 400 U.S. companies with affiliates or subsidiaries in South Africa have committed themselves to racial equality in their operations, in accordance with six principles promulgated in 1977 by the Reverend Leon Sullivan, a black social reformer who has become a member of the board of directors of General Motors (for more details on the Sullivan initiative, see the ruled insert).

But are such actions by companies enough? Absolutely not. Events of the last few years cause knowledgeable corporate executives to despair whether the white rulers of South Africa will be able to move swiftly enough toward equal rights for all. No longer can they think that the problem will simply go away or that the government can indefinitely contain the black drive for equality. The much-heralded initiative to allow independent black unions, taken after a 1976 police assault on unarmed demonstrators in Soweto that resulted in 600 deaths, 6,000 arrests, and hundreds of banning orders, has been followed in 1980 to 1982 by a climate of renewed repression in which:

☑ More than a dozen trade union leaders have been held for long periods without trial for questioning.
Those in South Africa and abroad who want to deal the institutionalized racism of apartheid a major blow have repeatedly called for the withdrawal of all foreign investment from the economy. Ever since the shock of the Sharpeville massacre of 67 peaceful African demonstrators by the white police in 1960, notable church and academic groups have persistently raised the call. Then, in early 1983 the Massachusetts legislature required the sale of all state pension funds assets invested in companies operating in or lending to South Africa. The Michigan legislature prohibited public educational institutions from investing in such companies. The Connecticut legislature had already moved toward divestment if certain anti-apartheid steps were not taken by Connecticut portfolio companies. A number of their state and municipal authorities were heading in the same direction.

Total foreign investment in South Africa today is estimated to be $27 billion, or 20% of the value of South Africa's industrial plant. Clearly, the withdrawal of all foreign investment would seriously handicap the South African economy, which must achieve an annual real growth rate of 5% to 6% just to generate enough jobs for the growing population.

However, the case on record of the withdrawal of significant foreign business assets from South Africa is the sale by Chryler in early 1983 of the last 28% of the shares of De Beers, a South African diamond manufacturer. The financially troubled U.S. company, which was looking for a buyer to save itsdot.com, made clear that the divestment would purely for business reasons, and in line with corporate strategy that had earlier led to the sale of its units in Britain, France, and South America.

The call for the withdrawal of foreign investment has gone largely unheeded because:

1. No home government of any international corporation has adopted policies requiring such withdrawal.
2. More than 3% to 5% of the shares of any corporation have not been sold in favor of any stockholder proposal calling for such divestment, although at least 25 major companies have had withdrawal resolutions on the agendas of their annual meetings.
3. Western European as well as U.S. corporations, having evaded several equal opportunity employment "codes" in response to a decade of sharp criticism of their profitable "partnership with apartheid," staunchly maintain that they have put in place many work site reforms, training programs, black community housing, and other improvements which, they argue, open wide the door to black social and economic advancement. Foreign corporations may employ only 600,000 of the 10.5 million people constituting the current South African labor force, and only 400,000 plus of the 8.5 million employed blacks, but they are concentrated in key economic sectors. Sealing themselves as pacesetters, they argue that their presence is essential to black economic development and that their black employees and suppliers and their families would be the main losers if foreign investment were repatriated.

Management of many transnational corporations is persuaded that the South African economy, no matter how small, offers a return on investment superior to the worldwide average but that it lacks the capability for growth, at home and across the whole African continent, if it succeeds in resolving its internal social problems.

For the past few decades, there has been no way to remove the capital assets of any foreign company from South Africa without authorization by the South African Ministry of Finance, because of strict exchange controls.

But the finance minister announced that the rigid exchange control, and the "financial market" through which it was exercised, were abolished as of February 7, 1983. The minister said that the local proceeds of sales of investments held by foreign entities are now "freely transferable from South Africa through normal banking channels at the ruling unaided rate of exchange for the rand.

Since the assets of foreign corporations in South Africa are therefore no longer tied up against a stone wall, it should be noted that the first reported reaction of the marketplace was a fresh inflow rather than an outflow of foreign investment. South African authorities claim that U.S. direct investment in South Africa has reached $2 billion.
The impervious apartheid wall?

When the Botha administration began to speak the language of social change in the late 1970s, many corporate executives thought that long-overdue reforms were about to be instituted. In 1983, it is evident, however, that the government's reluctant concessions have done more to placate world opinion than to improve the lot of the Africans, the Coloreds, and the Asians who together comprise the 84% of the population that increasingly calls itself "black."

Indeed, Botha's latest ploy seems calculated in part to ward off the growing unity of "nonwhites." The current session of Parliament is to consider his scheme to create a three-tiered legislature—separate chambers for white, Colored, and Asian representatives but none for the Africans. Instead there is an "Orderly Movement and Settlement of Black Persons Bill," which would further drive Africans away from the urban areas into the barren "homelands," incidentally requiring employers and landlords to serve as police-aides for checking their papers. Even if Coloreds and Asians decide to accept the spurious "chambers," all real power will remain in white hands—and the African majority (72%) will be alienated and the country perhaps rendered ungovernable.

The experiment in black unionization does not augur well for future stability either. Until 1979, black workers were put into special branches of government-authorized white unions. When the government allowed blacks to set up independent unions, the response in vanguard industrial sectors was swift. Given the choice, workers overwhelmingly chose the independent organizations over those that enjoyed official recognition or were junior wings of white unions. Black union membership went from 16,000 at the end of 1979 to 85,000 by the end of 1981.

As blacks realized the potential of collective power, a flurry of strike actions, many of them wildcat, took place: in 1979 there were 96 reported strikes; in 1980, 204; and in 1981, 342. The government swiftly cracked down on those organizers it considered to be troublemakers.

The authorization of unions simply accommodated the fact that economic growth requires black workers. Prime Minister Botha clearly has no intention of presiding over the dismantlement of apartheid but merely of modernizing it in order to make it more efficient at home and palatable abroad.

The homelands solution

As long as the Nationalist government of Prime Minister Botha derives its power over the affairs of 28 million South Africans from 900,000 votes, cast by the 3% of the population that comprises the adults among South Africa's 4.5 million whites, apartheid will remain. Blatant racial discrimination may no longer mark the language of laws, regulations, and policies, but black Africans are caught in a complex scheme, called the homelands policy, that strips them of rights and control and manipulates them in a most sophisticated way.

Under this policy, the government has decreed that all black Africans belong to one of ten homelands, located outside economically viable regions and constituting, all told, only 13% of the area of South Africa (see map). Individuals may stay in "whites only" South Africa in "native townships" if they have lived in South Africa since birth, worked for one employer for at least 10 years, lawfully resided in the township for at least 15 years, or are dependents of a man meeting these requirements. An average of 250,000 people have been arrested annually for violating this law; they now make up one-third of the prison population.

If Parliament enacts the "Orderly Movement and Settlement of Black Persons Bill," absolute control over the travel and residence of blacks will be vested in the minister of cooperation and development, with no court review possible. This new law would likely drive hundreds of thousands more from urban areas, where they have some chance of finding work, to overpopulated homelands. The American Chamber of Commerce in South Africa has informed Pretoria that Americans of every persuasion find such restriction of freedom of movement and association repugnant, and that the U.S. companies in South Africa must express in the strongest terms their opposition to this bill.

Even those blacks authorized to live within the townships have no more than very limited, tenuous freedom. Africans are grouped according to language within each township, and Coloreds and Asians are segregated in other townships. As boundaries change, and "black spots" have moved to the periphery of "white areas," the government has since 1960 ordered 750,000 blacks to make way for whites, and current plans call for at least another 157,000 removals from the urban areas. The distance from various places of employment is great and transportation poor. Housing is in short supply and the basic Soweto-type house designed for 8 persons actually holds an average of 14. Squatters inevitably move in nearby.

Unready to cope with the housing, educational, health, and general community needs of the
9 million or more blacks in the townships, let alone the workers the economy will require in the next ten years, the government makes industry rely on migrant workers [according to some sources, more than 40% of African male workers in South Africa in 1977 were migrants].

These men come from the homelands and neighboring countries, are recruited for periods of up to 18 months, and live in barracks in camp-like "compounds." They are beginning to become a source of difficulty as, on the one hand, the dynamic labor movement seeks to unionize them, and, on the other, blacks allowed to live in the townships want to force them out of the district. Continuing reliance on migrant workers will likely contribute to further tensions.

The Afrikaners have an almost hysterical desire, first to force all blacks into the homelands and then cut them off from South Africa by manipulating them to accept political independence for these homelands. The relocation is already happening. More than 2 million people have been uprooted and shipped to homelands since 1948. From 1979 to 1980, the authorities arbitrarily removed thousands more from modest footholds in urban townships, shipped by truck or train from 20 to 500 miles or more, dumped in barren land with few or no community facilities [at best incomplete shells of cement-block huts], with little money in their pockets and no jobs within reach.

I have seen hundreds of wives and children of employed Africans in Langa and Nyanga in the Capetown area, standing in the icy rain of winter, staring at the ruins of plaster and rag lean-tos torn down by police who would not even let neighboring white women bring in warm clothing or food. I then saw the blacks herded into trains or trucks to return to the homeland from which they had desperately fled.

Four of the ten homelands have already "accepted" independence. In the words of one observer, these declarations strip the homeland black of any claim to political rights within South Africa. The 8 million blacks of these homelands now have no title to a South African passport. Others of their tribal language groups within South Africa can simply be deported to the homelands if their activities displease the government.

Equitable share of political power

Corporate executives can also make clear their belief that all those governed should share in political power. They can testify from broad experience that the laws and regulations needed in an increasingly industrial society are more effectively accepted when duly chosen representatives of the people participate in their creation. More formally, corporations can help to prepare their employees for the full assumption of their responsibilities as citizens through equitable labor-management relations.

A plant can be either a school of blind obedience or a learning center for mutually responsible vocational association. Corporate subsidiaries in South Africa could usefully experiment with the kind of management style that enlists rather than commands superior performance. For example, American Cyanamid has dealt with a general black skepticism about the evaluation of jobs, ranking, and pay levels by including worker representatives on an evaluation committee that is charged with ranking all jobs below the mid-management level.

The Control Data Institute for computer programmers invited a group of educators and civic leaders, mostly from the black community, to help with the selection, financial aid allotments, and counseling and career development of the black students who make up the majority of the program participants. More than 70 have been trained and placed in spite of the mountains of mutual mistrust that had to be overcome. All such initiatives, which are quite unusual in an apartheid society, will contribute to the education of urban black leaders with valuable practical experience for the responsible exercise of their
9 million or more blacks in the townships, let alone the workers the economy will require in the next ten years, the government makes industry rely on migrant workers (according to some sources, more than 40% of African male workers in South Africa in 1977 were migrants).

These men come from the homelands and neighboring countries, are recruited for periods of up to 18 months, and live in barracks in camp-like "compounds." They are beginning to become a source of difficulty as, on the one hand, the dynamic labor movement seeks to unionize them, and, on the other, blacks allowed to live in the townships want to force them out of the district. Continuing reliance on migrant workers will likely contribute to further tensions.

The Afrikaners have an almost hysterical desire, first to force all blacks into the homelands and then cut them off from South Africa by manipulating them to accept political independence for these homelands. The relocation is already happening. More than 2 million people have been uprooted and shipped to homelands since 1948. From 1979 to 1980, the authorities arbitrarily removed thousands more from modest footholds in urban townships, shipped by truck or train from 20 to 500 miles or more, dumped in barren land with few or no community facilities (at best incomplete shells of cement-block huts), with little money in their pockets and no jobs within reach.

I have seen hundreds of wives and children of employed Africans in Langa and Nyanga in the Capetown area, standing in the icy rain of winter, staring at the ruins of plaster and rag-lean-tos torn down by police who would not even let neighboring white women bring in warm clothing or food. I then saw the blacks herded into trains or trucks to return to the homeland from which they had desperately fled.

Four of the ten homelands have already "accepted" independence. In the words of one observer, these declarations strip the homeland black of any claim to political rights within South Africa. The 8 million blacks of these homelands now have no title to a South African passport. Others of their tribal language groups within South Africa can simply be deported to the homelands if their activities displease the government.

Business & social change

Even faced with a climate of repression, a company cannot enter directly into South Africa's political process. There are, however, two things it can legitimately do to support the claim of all South Afri-
### South Africa

**Area**
- Including homelands: 472,359 square miles
- Namibia-Southwest Africa: 317,827 square miles

**Population**
- African: 20,084,319 (72%)
- White: 4,453,273 (16%)
- Mixed: 2,554,279 (9%)
- Asian: 794,869 (3%)
- Total: 27,866,234 (100%)

**As of 1978:**
- Africans living in white areas: 10,998,700
- Africans living in homelands: 8,927,000

**1948-1976:**
- Forced removals from white areas to black areas: 2,108,000

**Labor force 1980**
- African: 7,557,000
- White: 1,970,000
- Mixed: 1,023,000
- Asian: 272,000
- Total: 10,822,000

**Average wage differentials in 1978-1985, white to black:**
- Manufacturing: 4 to 1
- Mining: 6 to 1

**Employees of U.S. corporations:**
- Black (African, Asian, Mixed): 70,000 est.
- White: 30,000 est.

**Government**
- Republic of South Africa established in 1961 on basis of voting rights for national parliament restricted to whites. Four states and ten reserves of homelands. Blacks offered vote in homelands and resident townships located on white land. Four homelands declared "independent": Bophuthatswana, Ciskei, Transkei, and Venda.

### Economic Data
- **GNP:** $85.0 billion in 1981
- **National budget:** $18.0 billion in 1981
- **Inflation rate:** 4.5% in 1981
- **Prime rate:** 12.0% in 1981

**Foreign Investment**
- Total foreign investment (100% of value of industrial plant): $2,000 billion in 1981
- Total U.S. direct investment: $2,630 billion in 1981
- Total U.S. after-tax profits: $659 billion in 1981
- Total U.S. indirect investment: $1,300 billion in 1981

**Government Investment**
- Total U.S. portfolio investment in South African companies: $2,000 billion in 1981

**Sources:**
rights and duties as citizens. But obviously such experiments are delicate and the feisty companies that attempt them should be able to take unfair criticism from both some of the blacks they would help and some of the whites they would ask to contribute to black advancement.

Achieving economic well-being

Foreign corporations can make a substantial and very direct contribution by helping to provide an equal opportunity for all citizens to secure everything necessary for their economic well-being, e.g., quality education and community facilities, adequate housing, normal property rights, unrestricted union organization, and freedom to locate where jobs exist. At a time when even the white minority has widespread doubt about the feasibility of separate development, and when many South African business people say that economic growth is on a collision course with apartheid inequality, corporations have an opportunity deftly to open doors closed to their black employees and to the people of neighboring black communities.

South African and foreign business leaders agree that a shortage of skilled workers, not a shortage of domestic capital or foreign exchange, will cause the country's economic growth to taper off. Skilled workers are in short supply because the South African education system has long spent ten times as much to educate a white child as it does to educate a black. The typical black job applicant at the factory gate has only four years of schooling.

Many companies, acting separately or in innovative consortia, are now in a position to assist in the remedial education of older black employees and the supplementary education of many younger blacks, both in the plant and in residential townships. A company could link such a program to train employees or improve their basic skills to those plans under black community auspices that benefit the wives, children, and neighbors of the workers.

The Sullivan Signatory Companies contributed more than $5.5 million in 1981-1982 to help educate blacks that were not their own employees, and more than 5,600 employee days of work in the educational institutions themselves. Control Data,ITT, and Barlow Rand equipped an adult education center serving 3,000 to 4,000 night students near Soweto with a computer-based learning center. IBM is in the middle of a $2.7 million project that will upgrade the teaching of mathematics and science in Soweto's 60 secondary schools. American Cyanamid works with principals of African schools to encourage exceptional ninth graders to go on to high school and, in some cases, enter the company's career development program after graduation. The American Chamber of Commerce in South Africa mobilized 70 U.S. companies to raise $4.5 million for construction of a private commercial high school (named Pace) in Soweto—a project planned with the Soweto community and designed to provide top-quality secondary education rather than the inferior instruction normally offered blacks in the public system. It successfully opened early in 1982. Various companies are helping older workers prepare for an equivalency certificate as artisans.

Market needs

Most of the 400 U.S. businesses not in the minerals extraction and export sector produce mainly for the white minority market. This is not good business. By the turn of the century, blacks will make up almost 90% of South Africa's population. Savvy companies should follow the lead of those in the manufacturing and processing fields that have long made products that are in demand in the black communities.

The black community now accounts for about 30% of the GNP. It urgently needs better housing, transportation from township to work site, after-hours schooling, disease detection, and remedial health services. Couldn't a company consider ways of resolving the acute shortage of low-priced housing in every black industrial township? The segregated homelands and urban township policy forces workers to commute in crazy patterns and over great distances, so that many breadwinners must leave home before dawn and return in the dark of night; but the new car market is 90% white. Perhaps carmakers could, separately or in joint ventures, design a basic means of transportation and help urban blacks finance its purchase.

The traveler in South Africa often sees good but underdeveloped agricultural land, usually owned by absentee landlords. Millions of rural black people lack legal access to it and the technical means or know-how to make it more fruitful. Some companies with subsidiaries in South Africa have experience in corporate farming and working with producers' cooperatives. They should explore the possibility of developing programs to make land and technical assistance available to black farmer cooperatives, with all necessary official permissions or exemptions, thereby

2 Since the rand has fluctuated between $1.25 and $1.85 during the year past, references to rand in Sullivan reports are here quoted with dollars.
rights and duties as citizens. But obviously such experiments are delicate and the feisty companies that attempt them should be able to take unfair criticism from both some of the blacks they would help and some of the whites they would ask to contribute to black advancement.

Achieving economic well-being

Foreign corporations can make a substantial and very direct contribution by helping to provide an equal opportunity for all citizens to secure everything necessary for their economic well-being, e.g., quality education and community facilities, adequate housing, normal property rights, unrestricted union organization, and freedom to locate where jobs exist. At a time when even the white minority has widespread doubt about the feasibility of separate development, and when many South African business people say that economic growth is on a collision course with apartheid inequality, corporations have an opportunity deftly to open doors closed to their black employees and to the people of neighboring black communities.

South African and foreign business leaders agree that a shortage of skilled workers, not a shortage of domestic capital or foreign exchange, will cause the country’s economic growth to taper off. Skilled workers are in short supply because the South African education system has long spent ten times as much to educate a white child as it does to educate a black. The typical black job applicant at the factory gate has only four years of schooling.

Many companies, acting separately or in innovative consortia, are now in a position to assist in the remedial education of older black employees and the supplementary education of many younger blacks, both in the plant and in residential townships. A company could link such a program to train employees or improve their basic skills to those plans under black community auspices that benefit the wives, children, and neighbors of the workers.

The Sullivan Signatory Companies contributed more than $5.5 million in 1981-1982 to help educate blacks that were not their own employees, and more than 5,600 employee days of work in the educational institutions themselves. Control Data, ITT, and Barlow Rand equipped an adult education center serving 3,000 to 4,000 night students near Soweto with a computer-based learning center. IBM is in the middle of a $2.7 million project that will upgrade the teaching of mathematics and science in Soweto’s 60 secondary schools. American Cyanamid works with principals of African schools to encourage exceptional ninth graders to go on to high school and, in some cases, enter the company’s career development program after graduation. The American Chamber of Commerce in South Africa mobilized 70 U.S. companies to raise $4.5 million for construction of a private commercial high school (named Pace) in Soweto—a project planned with the Soweto community and designed to provide top-quality secondary education rather than the inferior instruction normally offered blacks in the public system. It successfully opened early in 1982. Various companies are helping older workers prepare for an equivalency certificate as artisans.

Market needs

Most of the 400 U.S. businesses not in the minerals extraction and export sector produce mainly for the white minority market. This is not good business. By the turn of the century, blacks will make up almost 90% of South Africa’s population. Savvy companies should follow the lead of those in the manufacturing and processing fields that have long made products that are in demand in the black communities.

The black community now accounts for about 30% of the GNP. It urgently needs better housing, transportation from township to work site, after-hours schooling, disease detection, and remedial health services. Couldn’t a company consider ways of resolving the acute shortage of low-priced housing in every black industrial township? The segregated homelands and urban township policy forces workers to commute in crazy patterns and over great distances, so that many breadwinners must leave home before dawn and return in the dark of night, but the new car market is 90% white. Perhaps carmakers could, separately or in joint ventures, design a basic means of transportation and help urban blacks finance its purchase.

The traveler in South Africa often sees good but underdeveloped agricultural land, usually owned by absentee landlords. Millions of rural black people lack legal access to it and the technical means or know-how to make it more fruitful. Some companies with subsidiaries in South Africa have experience in corporate farming and working with producers’ cooperatives. They should explore the possibility of developing programs to make land and technical assistance available to black farmer cooperatives, with all necessary official permissions or exemptions, thereby

1 Since the rand has fluctuated between $1.20 and $1.50 during the year past, references to rand in Sullivan reports are here equated with dollars.
<table>
<thead>
<tr>
<th>Homeland</th>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bophuthatswana</td>
<td>Tswana</td>
</tr>
<tr>
<td>Lebowa</td>
<td>North Sotho</td>
</tr>
<tr>
<td>Gazankulu</td>
<td>Shangaan and Teonga</td>
</tr>
<tr>
<td>Venda</td>
<td>Venda</td>
</tr>
<tr>
<td>Swazi</td>
<td>Swazi</td>
</tr>
<tr>
<td>Uswaqua</td>
<td>South Sotho</td>
</tr>
<tr>
<td>KwaZulu</td>
<td>Zulu</td>
</tr>
<tr>
<td>Transkei</td>
<td>Xhosa</td>
</tr>
<tr>
<td>Ciskei</td>
<td>Xhosa</td>
</tr>
<tr>
<td>South Ndebele</td>
<td>South Ndebele</td>
</tr>
</tbody>
</table>

Source: Grunevalder M. Dalla Zappa, "Why is South Africa Geographically". (Bloomington, Ind.: Indiana University Press, 1980.)
Increasing the physical well-being of a sizable number of black South Africans.

A small flow of black university graduates has begun to enter the labor market, and others are completing apprenticeship courses. Besides providing job opportunities, corporations might help them start related small businesses by showing them how to win permits from balky bureaucrats for commercial or industrial shops in many urban areas. More corporations could designate local earnings and managers to teach small business management techniques to such intrepid and capable people. The social impact of such efforts would be to prepare blacks for their inevitable entry into political power sharing and for the dynamic social stability most favorable to economic development.

Begin at home

Foreign-based companies can make their most direct contribution to black economic growth and well-being in their own plants. Wise managers are already working with responsible black union leaders in the more than 150 companies that have formal recognition agreements with independent black unions, establishing rules for their access to the plant and procedures for settling grievances and negotiating wages and changes in working conditions. Although only 9 of these companies are American, 114 Sullivan Signatory Companies have stated their willingness to recognize whatever union a majority of their employees may elect to represent. Will this goodwill encourage responsible union action?

Ford Motor Company turned its informal understanding with a black union into a formal contract in 1980. Kellogg had a recognition agreement in 1979, the first U.S. company to do so. By the end of 1981, seven other American corporations had formed agreements: Borg-Warner, Colgate-Palmolive, Johnson & Johnson, Schering-Plough, Chrysler, Fruehauf, and Dresser. General Motors and R.J. Reynolds had informal understandings with unregistered black unions, and Ingersoll-Rand, Union Carbide, 3M, Gillette, and Thesebrough-Pond’s had indicated they would talk with unregistered unions if a majority of their members so desired.

Even if some U.S. companies have traditionally been nonunion at home, they should be able to see that a union is the only way for a black worker to gain a tangible stake in South African society. Black civic leaders who have no personal interest in the matter are increasingly urging companies to affirm and implement their willingness to work with either government-controlled or black unions, depending on the preference of the majority of employees.

Ending arbitrary relocation

Corporations can make both direct and indirect contributions to ending the forced relocation of blacks to the homelands.

When relocation threatens their operations (such as at Walmar, near the motor industry center of Port Elizabeth), companies can raise pointed questions with the appropriate national officials. They can also encourage local officials to seek alternatives for the resolution of any problems that may be cited as reasons for ordering relocation.

When relocation directly threatens their own employees and their families, corporations can seek exemptions for workers deemed necessary to their operations, and for whose welfare they feel immediate responsibility. More positively, employers can plan the location of new facilities with a view to obtaining authorization for all their employees to reside in the general vicinity of their place of work. In the interest of efficiency as well as humanity, they can vigorously press on the authorities the right of the worker and his family to live together near the job.

Business & regional development

The dynamic growth of the South African economy, in which foreign-owned companies often occupy small but strategically important positions, offers opportunities for innovative initiatives that may contribute greatly to the advancement of blacks.

Much study and discussion in South Africa centers on an apparently irreversible drive toward urbanization and the imperative need for decentralized economic development. Already 10% of the students in the “white” universities are black, for only these older, prestigious institutions can provide the specialized training required for many jobs. Given the needs of the economy, the apartheid establishment must make an exception in the case of almost every black applicant, although it still pledges that every one of the ten impoverished homelands will eventually have its own university!

Parallel demographic predictions say that the population of Johannesburg will rise from 2 million to 8.5 million by the turn of the century. Sane arguments are being advanced for carefully planned regional economic development.
In 1977, the Reverend Leon H. Sullivan, a member of the board of General Motors with experience in upgrading unskilled labor in the United States, drew up half a dozen principles for those companies in South Africa ready to undertake a few basic reforms. These principles were conceived as "a voluntary effort among companies to end racial discrimination in their operations in the Republic of South Africa and to help improve the living conditions for blacks and other nonwhites there."

Twelve companies initially endorsed them.

The Six Sullivan Principles call for companies to:

1. Desegregate all eating, comfort, and work facilities.
2. Implement equal and fair employment practices for all employees and acknowledge the right of black workers to form their own unions.
3. Ensure equal pay for all employees doing equal or comparable work for the same period of time.
4. Initiate and develop training programs to prepare substantial numbers of blacks and other nonwhites for supervisory, administrative, clerical, and technical jobs.
5. Increase the number of blacks in management and supervisory positions.
6. Improve the quality of employees' lives outside the work environment, such as transportation, schooling, recreation, and health facilities; provide for the right of black migrant workers to normal family life; and assist the development of black and other non-white-owned and operated businesses.

By 1982, 146 of the 400 American companies with subsidiaries or affiliates in South Africa, with assets equal to one-half of the total U.S. foreign direct investment in the country, had become signatories.

The signatories promise periodic reports on their progress in implementing these principles. According to Arthur D. Little, Inc. (the monitoring agency), the sixth report, published in November 1982, found:

- Principle 1: All but one of the reporting units state all facilities are desegregated.
- Principle 2: All but one have common medical, pension, and insurance plans for all races.
- Principle 3: Black employees are receiving higher average pay increases than whites, though the average percent increase is less than the previous year.
- Principle 4: The proportion of blacks participating in training programs for sales positions has continued to increase.
- Principle 5: The proportion of blacks in supervisory positions has dropped, indicating a lack of progress in this area in recent economic times.
- Principle 6: Contributions for community development doubled last year, amounting to about $11 million.

Close observers of developments at the work sites and in the communities where the Sullivan Signatory Company black workers live agree there has been movement in the right direction. But these observers are uneasy about the self-monitoring feature of the procedure, which does not allow on-site verification. The monitoring agency substantiates their impression that the main black progress has been from unskilled to semi-skilled to skilled production jobs, with an actual decline in the number of black clerical and administrative workers. Of the 1,450 vacancies to be filled in the managerial level in 1961 to 1982, blacks were reported into 6% and whites into 94%. But following a revision of government policies on black unions, six signatories reported signing formal union recognition agreements, and 96% of all signatories reported their willingness to recognize unions.

After reviewing the progress of the past two years, Reverend Sullivan stated that companies were meeting the objectives of improving significantly the quality of life of their black employees in South Africa. He added, however, that "more advanced solutions were essential in the years past ahead, particularly to train and place black managers, develop black-owned enterprises, and upgrade the black residential township educational and health services."

Executives of some signatory companies may think that too much has been expected of them in too short a time; their local subsidiary managers may have felt that the pressures put on them from headquarters were unreasonable. But the deepening unrest among urban blacks underscores the conviction that the six Sullivan Principles are the very least that foreign enterprises can do in their partnership with the apartheid establishment, ought to do.
International corporations, with their hard-won capacity for macroeconomic thinking and planning, can make a socially constructive contribution. Consortium approaches to the generation of jobs, housing, and educational and social services are being applied in the United States, the United Kingdom, Italy, and a number of other countries. Companies could help develop new towns and industrial complexes in promising but undeveloped areas.

Besides the capital and practical know-how of corporations, the participation of top university personnel (particularly anthropologists, sociologists, economists, and land-use experts) and of black community leaders (African, Asian, and Colored) is absolutely necessary. All three — companies, academics, and community leaders — not only should consult but should enter into a joint declaration of intention from the beginning. New legal structures might have to be developed to accommodate the complex South African reality. These would give representative academics and black community leaders substantial participation in the policymaking traditionally confined by corporations to their boards of directors. In light of South Africa's internal politics, the contributions of academic knowledge and black community involvement are as indispensable as corporate capital, technology, and managerial expertise.

Decentralized regional development is very much center stage in both governmental and business circles in South Africa. There is no agreement yet on priorities, procedures, or partners. Corporate executives, social scientists, clergy, legislators, and black community leaders are brainstorming possibilities, exceeding perhaps from different assumptions toward urgent goals. It is not too early for corporations to formulate necessary incentives, embrace grand visions, and contribute to the search. Successful regional economic development may be the key to turning South Africa away from the bankrupt vision of separate development, which is certain to lead to an and toward that multiracial development which essential to the stability and prosperity of South African society.

Bank loans can hurt or help

The great international banks of Europe and the United States, only three of which have operations inside South Africa — Barclays, Citibank, and Standard — have for many years provided South Africa with strategically important loans. But as foreign lenders, they have exercised no significant leverage against apartheid. On the contrary, they have buttressed the reign of white supremacy. Unlike industrial corporations with plant facilities and employees inside the country, most of the foreign lenders are quite free to wind down, maintain, or increase their public sector loans according to their policy objectives. The South African government, jealous of its international credit standing, is sure to repay the $1.3 billion it currently owes U.S. banks and the additional billions it owes elsewhere.

International banks could make an enormous contribution to justice and stability in South Africa if they determined that their overriding objective in all public sector loans would be to earn a suitable return on loans that effectively promote black educational, social, and economic progress. I would suggest four criteria for checking the genuineness of such loans for black advancement:

1. Sponsors of projects include bona fide representatives of major voluntary black institutions or movements.
2. Projects will advance black educational, social, medical, or housing services, or generate black economic opportunity.
3. Projects will not assist so-called " homeland development" but promote the integration of blacks into South African society.
4. Loans will not release funds for other, repressive, purposes.

Foreign bank allocation of credit to the South African treasury or any government agency or corporation connected to the government must end if these criteria are respected. Major black organizations are not represented in official South African borrowing agencies, and government loan requests for "black development" projects are oriented toward separate development.

The South African government puts forward such projects only when they are in its budget involving rand expenditures. The result is the enrichment of the government's foreign exchange revenue account. Such increases help maintain white minority rule by financing imports unavailable to South Africa through normal commercial channels at normal rates because of various embargoes, e.g., oil and arms.

Corporations determined to promote large projects in regional economic development can also direct banks toward multiracial borrowing entities serving the needs of the black majority and, consequently, helping to construct a healthier future for South African society.
More than a utopian dream

The vision of just, integrated, and prosperous regional development projects may seem utopian, given the house of South African apartheid and the readiness of many foreign corporations and banks to walk hand in hand with the white supremacists, right up to the deluge. Yet corporate management would be well advised not to shrug it off as merely a dream. The house is beginning to crumble because of its inherent contradictions and because of the voracious appetite of industrial growth with as little prejudice and self-deception as possible for skilled labor on all levels. The government of South Africa has its centrists, and its opposition party progressives, even as it has its extremists. The republic today is a field of vigorously contending forces. Well-considered concepts of regional economic development, technically promising and socially innovative, might have considerable appeal to many who have concluded that the continued pursuit of apartheid-ridden development will bring disaster.

But would such an initiative not be fiercely condemned by others—those whose ideology requires that things get worse before they get better? If leaders or movements, be they black or white, have their hearts set upon violent revolution as the only response to the institutionalized violence of apartheid, obviously they will repudiate the kind of reform outlined here. Very few people committed to the liberation of the black majority from white minority domination are, however, so unrealistic as to maintain that white rule, with its awesome technological and military superiority and its splendid isolation at the top of Africa, can be overthrown any time within the visible future by sheer black power. It is likely that they would, at first, find the breaking down of apartheid and the economic conversion of separate development into genuine multiracial development a less satisfying objective than the abrupt destruction of white power. If, however, multiracial economic and human development, rather than statism in any of its leftist or rightist forms, is their paramount goal, they may offer their support as black progress and regional economic development become growing realities.

If regional economic development to erode racial discrimination is to take place in South Africa, strong backing will have to be generated among foreign investors. The chief executive officers and public affairs specialists of parent companies in home countries will need to offer firm leadership in both business and government circles. They know that concern is growing among many sectors of public opinion, particularly in the United States, that the bankrolling of South African apartheid by public and private pension funds, universities, foundations, churches, or other investors in corporations that strengthen white minority rule is immoral and must be stopped. This concern need not be monopolized by futile discussion about corporate disinvestment from South Africa or shareholder divestiture of the offending company's stock—neither of which courses seems capable of directly promoting black political or economic rights (see the accompanying insert). If business corporations and executives will give high priority to the urgent need for large-scale actions in behalf of black educational, social, and economic advance, that message may be influential in Pretoria, Washington, London, Bonn, Paris, and Bern. At the very least, it will send a clear signal to those in charge of subsidiaries in South Africa that their most creative efforts toward this goal are expected and will be rewarded by their bosses back home, and even applauded by their company's shareholders as spreading justice breeds growing stability.
This article, by Leon Sullivan, appeared in The Washington Post last month. The author, who is pastor of the Zion Baptist Church in Philadelphia, in 1977 drew up the Sullivan Principles, a code of employment practices for American firms operating in South Africa.

Place more pressure on SA, urges Sullivan

The so-called Sullivan principles that I initiated six years ago were intended to bring the actions and influences of American companies in South Africa to bear against the racial practices and apartheid laws of that country.

It was my hope that the principles would initiate similar efforts by multinational companies from other parts of the world, thereby creating a global multinational campaign in South Africa against the racial injustices that have existed there for 300 years.

It was also my intent that the principles would serve as a catalyst to help change segregation practices in other private and public places throughout the country.

I have attempted to make it clear from the beginning that the principles are not the total solution to the South African problem, and that even if they were implemented to the optimum, the principles alone could not end apartheid.

Apartheid is a ruthless, inhumane system of practices and laws deeply embedded in the world's most racist society, and in order for apartheid to be completely eradicated, it requires the combined efforts of many forces, including governments, companies, churches, unions, the United Nations, those who believe in justice within the country, and world public opinion.

But it is my firm opinion that the multinational corporations have a major role to play.

In the past they have been the main beneficiaries of cheap labour and profits from this evil and unjust system and among its main supporters.

It should be the responsibility of these companies to help change that system. Otherwise, they have no moral justification for remaining in South Africa.

No one is more aware than I that the principles and other codes must be pushed harder for greater and faster results.

It is my view that if the principles and codes of other nations are enforced and vigorously implemented and monitored, they can work for change, but in order to bring this about, more pressure is needed on the companies for fuller and swifter compliance.

In my opinion, the voluntary support of the principles has been effective, but it is not getting the desired results quickly enough. More enforcement is needed.

As I have testified before congressional committees on several occasions: "The full compliance with the principles of all American companies with operations in the Republic of South Africa should be made mandatory by the United States Government, and backed up with embargoes, tax penalties, sanctions, loss of government contracts and any other effective means."

There are 150 American companies operating in South Africa that have not as yet signed the Sullivan principles, and against those companies there should be immediate divestment actions by stockholders, institutions, pension funds, government bodies and other fiduciaries.

These companies represent 20 percent of the investments of American companies in South Africa.

Of the remaining 150 companies that have not signed the principles, one-third are receiving "failing grades" in compliance, according to the annual Arthur D Little report published recently.

These companies should be contacted by stockholders and fiduciaries and asked for written assurances they will do better in the coming year, accom
do better in the coming year, accompanied by a plan for doing so. Otherwise there should be targeted divestment actions against those companies.

Companies receiving "passing grades" according to the Little Report should be urged by stockholders to remove them in their top categories, or face divestment.

American companies employ less than one percent of the workers in South Africa. For these efforts on the part of multinational companies to be broadly visible and effective, participation will have to be global.

I have travelled abroad and have urged divestment actions against foreign companies in South African subsidiaries that are not living up to their codes: I have appealed for strong government action by the nations and their parliaments as pressure against company noncompliance.

Foremost, I see the necessity for the recognition of the rights of association for black workers, and the recognition of their representative registered and unregistered trade unions, thereby empowering black workers to speak out for their rights on the job, as they will one day speak out for their rights in society.

The growing strength of the black worker is one of the greatest hopes for peaceful change in South Africa.

It is clear that the main problem in South Africa is not just fair employment practices; it is also opportunity, or better schools.

The main problem is freedom, including the end to influx control, an end to the incredible homeland policy, and full political equality for the black population.

Therefore, beyond the principles, it is my position that until apartheid ends and full equality is achieved for blacks, there should be no new expansion in South Africa by American companies, nor new bank loans to the South African Government, and no sales to the South African police or military.

Perhaps the Sullivan principles and the other codes in the world will do so much, and only go so far. Perhaps the only way South Africa can be fundamentally changed is by massive conflict and a devastating war.

But I believe that attempts must be made to find peaceful means for change if it is still possible.

If these world multinational company efforts are aggressively initiated, broadly and effectively applied and closely monitored, they will have to make a difference.

None of us can be sure the total goals of the principles will ultimately be attained; but things are beginning to happen in South Africa as a result of these principles. They are a catalyst for social change in South Africa.

In this endeavor, powerful support will be needed beyond the companies, including unrelenting and much clearer commitments to racial justice in South Africa from the President of the United States, Congress and other government leaders and nations.
Sullivan wants more muscle for bar on US operations in SA

CP Correspondent
WASHINGTON - Six years after the introduction of the Sullivan Code of employment for US companies operating in South Africa, 150 firms are still refusing to sign up.

And a third of those who are participating have received "failing grades".

Because of this dismal record, the Rev Leon Sullivan, who drew up the code in 1977, wants the US government to enforce it.

In an article written for the Washington Post recently, Mr Sullivan said: "The vast changes necessary are not happening fast enough. The necessity for greater changes - visible, broad, effective and quick - is imperative.

No one is more aware than I that the principles and other codes must be pushed harder for greater and faster results. It is my view that if the principles and codes of other nations are enforced and vigorously implemented and monitored, they can work for change, but in order to bring this about, more pressure is needed on the companies for fuller and swifter compliance."

He called on the US government to intervene.

"The full compliance with the principles by all American companies with operations in the Republic should be made mandatory by the US government, and backed with embargoes, tax penalties, sanctions, loss of government contracts and any other effective means."

Despite the limited progress, Sullivan said the principles were beginning to work.

He cited some "significant" changes since the code was introduced, such as the de-segregation of many factories, the increased training of blacks in supervisory jobs, the increasing recognition of representative unions, and the commitment by companies to improve the quality of workers' lives.

He cautioned, however, that the code should not be seen as a solution to South Africa's problems.

"It is clear that the main problem in South Africa is not just fair employment practices, or equal opportunity, or better schools ... the main problem is freedom."

Even if they were implemented to the optimum, the principles alone could not end apartheid. Apartheid is a ruthless, inhumane system of practices and laws deeply embedded in the world's most racist society, and in order for apartheid to be completely eradicated, it requires the combined efforts of many forces, including governments, companies, churches, unions, the United Nations, those who believe in justice within the country, and world public opinion.

"But it is my firm opinion that the multinational corporations have a major role to play. In the past they have been the main beneficiaries of cheap labour and profits from this evil and unjust system and among its main supporters. It should be the responsibility of these companies to help change that system. Otherwise, they have no moral justification for remaining in South Africa, and should be compelled to leave the country."

And he added that until apartheid ended, American companies should not expand their South African operations, or lend money or sell military equipment to Pretoria.

Sullivan concluded that despite its limitations, the code had become a catalyst for social change.
Stay off Rikhotso, Govt is warned

By STEVEN FRIEDMAN
Labour Correspondent

THE Government could unleash a "furor" in the United States if it overrode the Rikhotso judgment extending migrant worker rights, and such a decision would strengthen the hand of the growing disinvestment lobby in the US, a leading industrial relations man said yesterday.

Mr Fred Ferreira of Ford (SA) warned that campaigns to pull tens of millions of rand out of companies doing business with South Africa could gather steam if the Government took this step.

He was approached to comment in the light of a recent speech he made to the Afrikaanse Handelsinstituut.

"Mr Ferreira told the AH the US disinvestment lobby, which has recently persuaded several state and city legislatures to withdraw investment from companies doing business with South Africa, was increasingly focusing on influx control and on the proposed Orderly Movement of Black Persons Bill."

He argued that the Government should announce the scrapping of the Bill.

"Mr Ferreira said yesterday that overriding the Rikhotso judgment could cause a "furor to the nth degree" in the US.

"The Americans are certain to view an attempt to circumvent the judgment as an attempt to muzzle the courts," he said.

"They are particularly sensitive to this sort of issue as their own Supreme Court played a key role in the desegregation initiatives of the 50s and 60s," he added.

Mr Ferreira said large sums would be involved if the disinvestment lobby succeeded in persuading public bodies to withdraw funds from companies doing business here.

"For this and many other reasons, I believe the Government would do well to implement the judgment," he added.

Meanwhile, influx control specialists pointed out yesterday that according to a recent study by Cape Town economist Charles Simkins, South African cities were less populated than those of other comparable countries.

They were reacting to suggestions that implementing the judgment would prompt a "flood" of black people to the cities, whose facilities would not be able to cope with them.

In a book published recently, which analysed official population statistics, Mr Simkins found that influx control measures had led to South African cities becoming "under urbanised" compared with United Nations norms for city populations.

He also argued strongly against suggestions that relaxing influx control would lead to an "uncontrollable flood" of black people to the cities.
US government backs Sullivan code

By SIMON BARBER
WASHINGTON. — In a major defence of "constructive engagement", Mr Ronald Reagan's administration this week warmly endorsed the Sullivan fair employment code for United States companies in South Africa and warned that it was "not prepared to condone a business-as-usual posture" by those who ignored the principles.

Appearing before a house banking committee to fight legislation proposed by Mr Stephen Solarz that would make compliance with the code compulsory, Mr Frank Winner, Deputy Assistant Secretary of State for Africa, said that the 146 US firms who have signed the code are "in the forefront of US efforts to bring about meaningful change in South Africa".

Among highlights of Mr Winner's presentation were:

- 90,000, or 71%, of the workers employed by US firms in South Africa work for Sullivan signatories;
- Of the 37,000 employees working for the 152 firms which are not signatories, 20,000 work for companies where the US investment is not under control and cannot therefore enforce code compliance;
- Signatories spent about R3.5 million on employee training last year, a 46% increase over 1981 expenditures. Sixty percent of the employees trained were black;
- Signatories last year contributed about R18 million to community projects, more than 92% of the total profit derived from US direct investment in South Africa during 1981;
- Expenditure by 120 signatories on development, education and training assistance for non-employees last year added up to a total of 33% of their 1981 profits;
- Similar expenditures by the entire private sector in South Africa would yield an annual net egg of about R81 million for the development of "disadvantaged communities", a sum far greater than what was spent in 1981, demonstrating again the leadership position of US companies in community development; and
- Initiatives by US firms have encouraged others to follow suit. Project Pace (the Soviet technical school) "set an example which is being followed by the German Chamber of Commerce along with the Urban Foundation in the establishment of a teacher training centre in Soweto... and encouraged the Department of Education and Training to upgrade facilities in the face of a fast-moving world".

The State Department is afraid that the Solarz proposals, which are attached as a rider to the Export Administration Act, will discourage, rather than enhance, compliance with the Sullivan principles by putting the US government and private sector at odds, and may even cause some firms whose presence might otherwise help the change, to transfer control of their operations to domestic interests.

"At stake," said Mr Winner, "is whether our system's enormous potential for good can be translated into reality."

Officer of Watch 'had not been briefed'

CAPE TOWN. — A South African Navy commander told the President Kruger inquest in Cape Town yesterday he was "dumbfounded" that the Officer of the Watch (OW) at the time of the collision had not received any briefing whatsoever.

Commodore D F Silberbauer, Officer Commanding Naval Operations Command, was giving evidence at the inquest into the death of Chief Petty Officer Donald Webb.

Mr J P van Niekerk, for Sub-Lieutenat R Pickstock, the OOW at the time of the collision, told the inquest Lieut Pickstock would testify that he had informed the President Kruger on February 1 last year, before the departure of the frigate from harbour for the fatal manoeuvres. He had stood only one watch as OOW on the ship and that was after the ship anchored.

Lieut Pickstock would say he had for the first time seen his name on the roster as OOW of the middle watch on February 15 when the President Kruger left Simonstown harbour. Asked whether he thought it reasonable to appoint a man under these circumstances, Commodore Silberbauer replied it would be a "hit on" the officer. Mr J P van Niekerk for Sub-Lieut Pickstock said no officer on board the President Kruger had had the opportunity to observe him as an OOW under controlled conditions.

The situation was "a book" one. The inquest continued.

Violence sparks West over SWA

PARIS. — Senior officials of the Contact Group on South West Africa said yesterday that recent violence in Southern Africa made it urgent that a solution to the question of independence for the territory be found.

"Conscious of the increase in violence in Southern Africa, the Contact Group in cooperation with the Southern African liberation movement and the United Nations, is moving toward an early settlement of the question of independence for the territory."

London Bureau
THE BBC has withdrawn television teams assigned to cover the Pope's visit to Poland next week after Polish authorities refused to grant visas to Mr Tim Sebastian, its European correspondent, and Mr Jan Repa, the BBC's correspondent in Warsaw, was expected to visit Poland and entirely contrary to the spirit of the meeting between Polish representatives and the BBC's director general earlier this year.

Mr Kevin Ruane, the BBC's resident radio correspondent in Warsaw, was ex-
Apartheid inhumane. Sullivan
WASHINGTON. - Proposers of legislation that would require United States businesses to follow fair employment standards in South Africa predict the bill will easily clear its second hurdle in the House of Representatives.

The legislation has already passed the Foreign Affairs Committee as an amendment to the controversial Export Administration Act.

It has 64 sponsors, including 12 members of the Banking Committee, to which it has been referred.

The bill establishes a set of legally enforceable fair employment standards for American firms operating in South Africa with more than 100 employees. It also bars loans by US banks to the South African Government, except those made for integrated educational, housing, and health facilities.

It would also ban the sale of the popular South African gold Krugerrand in the US.

The proposal is unpopular with the banks and with the Reagan Administration.

Five major banks declined to testify this week on the bill before the House Banking Subcommittee on financial institutions. Subcommittee chairman, Mr. fernand St. Germain, said invitations were sent to seven of the nation's largest banks.

"I regret to report that none of the seven was anxious to testify," he said as he opened the hearing. "Their failure to appear highlights the moral nature of the apartheid issue."

Mr. St. Germain said Bankers Trust, Chase Manhattan, Chemical, Morgan and Wells Fargo Banks declined to testify, although Chase, Chemical and Wells Fargo sent statements.

Citibank submitted a statement saying it would appear if it were not the only bank to testify, and Bank of America "indicated its willingness to send a not-too-qualified witness since their only 'expert' on South Africa had recently suffered a heart attack," Mr. St. Germain said.

State, treasury and commerce departments officials and the Export-Import Bank testified against the bill.

There are 350 US companies in South Africa, employing more than 100,000 workers, 76% of them black.

The Reverend Leon Sullivan, author of the "Sullivan Principles," by which US firms voluntarily subscribe to fair employment practices in South Africa, said the principles can only go so far.

Support for restrictions on South Africa has been growing in the House. Last month, the Banking Committee adopted an amendment requiring the director of the International Monetary Fund to oppose lending privileges to any country practicing apartheid. - UPI.
SULLIVAN CALLS ON U.S.A. TO PUSH EMPLOYMENT CODES

WASHINGTON — The Rev Leon Sullivan, author of a voluntary code of fair employment principles for American firms operating in South Africa, called yesterday for such a code to be made compulsory for all American-owned or affiliated businesses in South Africa.

The signatory companies employ 90,000 of the 127,000 South Africans who work for US firms.

But this was not enough, Mr Sullivan, a Baptist preacher and chairman of the International Council of Equal Opportunity Principles, told a congressional hearing on banking affairs.

Embargoes

Though the code had been effective as a catalyst for change in South Africa and had been copied in other parts of the world, it was not getting results quickly enough. He therefore supported mandatory compliance of the principles, backed up with embargoes, tax penalties, sanctions and loss of government contracts for companies that offended.

SOWETAN FOREIGN SERVICE

Mr Sullivan was speaking in favour of a Bill introduced by Congressman Stephen Solarz, a Liberal Democrat from New York, that aims to restrict US trade ties with South Africa.

Loans

It would make fair employment practices legally enforceable for US firms that have more than 20 workers in South Africa, ban loans to South Africa except for integrated educational, health facilities and housing, and stop the sale of Krugerrands in the US.

The measure has 64 co-sponsors in the House of Representatives. It has already passed a congressional committee that deals with foreign affairs.

"I support this Bill in its entirety," Mr Sullivan told the congressmen.

He said it was possible that the only way South Africa could be freed was by massive confrontation, devastating war. But he believed attempts must be made to find peaceful means.

Results

Mr Frank Wisner, deputy assistant Secretary of State for African Affairs, told the hearing that the Reagan Administration strongly endorsed the Sullivan Code but that it should remain voluntary to get the best results.

"US firms which have adhered to the code are beginning to end apartheid on the job and in work-related activities," he said.

But efforts in the social responsibility field were not as effective as he had hoped.

"The Reagan Administration believed that this was the prevailing attitude among the non-signatories."

"We believe it would be a travesty to destroy the Sullivan Code by turning it into a congressionally mandated legal requirement for doing business in South Africa," Mr Wisner said.

He said the Reagan Administration was prepared to support strongly and defend the US business community in its efforts to promote economic growth and social justice in South Africa.

Trial

But the administration would not condone a business-as-usual posture by firms which had not adhered to the code.

Mr Wisner said that capitalism was on trial in much of the Third World, including Africa.

"South Africa is a special case, perhaps more
The Landoorgini Command — acclaimed as one of the finest
and most spectacular sprites ever designed.

King Size is certainly its equivalent in Virgina cigarettes.
And in the rather informal black and gold box John Player
size is considerably less.

Jan Steyn speaks out on disinvestment


Correction officials. They could play — and they
were not satisfied by a positive response. But US
officer in the United States Department of State
in South Africa. The announcement in South Africa
was made by the minister of economic affairs, Mr.
S. P. S. van der Byl. The disinvestment in the
United States was announced by the Director of the
Foreign Affairs. He said that he could not see

The assumption of the United States could play a positive
and the economy of the United States would respond. It
was a matter of serious

The assumption of the United States could play a positive
and the economy of the United States would respond. It
was a matter of serious

The assumption of the United States could play a positive
and the economy of the United States would respond. It
was a matter of serious

The assumption of the United States could play a positive
and the economy of the United States would respond. It
was a matter of serious

The assumption of the United States could play a positive
and the economy of the United States would respond. It
was a matter of serious

The assumption of the United States could play a positive
and the economy of the United States would respond. It
was a matter of serious

The assumption of the United States could play a positive
and the economy of the United States would respond. It
was a matter of serious

The assumption of the United States could play a positive
and the economy of the United States would respond. It
was a matter of serious
We can expect a signal from the United States.
US paper joins pact

WASHINGTON — The Los Angeles Times, America's major West Coast newspaper, has joined the New York Times and the Washington Post in opposing moves in the US Congress to sever or limit business ties with South Africa.

But all three papers, which reach millions of readers throughout the US, are highly critical of South Africa's race laws.

Earlier this year, both the New York Times and the Washington Post said, in effect, that disinvestment was pointless and that the withdrawal of American businessmen would remove their ability to implement fair employment practices in South Africa, and serve as a lever for reform.

This is also the view of the US State Department, repeated last week in a speech by Mr. Lawrence Eagleburger, Under-secretary of State for Political Affairs.

EDITORIAL COMMENT

In an editorial comment yesterday, the LA Times supported Mr. Eagleburger's rejection of proposed legislation to control the actions of American companies operating in South Africa and limit South African exports to the US.

"These are issues better left to voluntary arrangements," the LA Times said.

Concerned Americans are free to boycott corporations that do not conform with the standards set by the Rev. Leon H. Sullivan, and free to decline the purchase of gold Krugerrand coins."

The newspaper said Mr. Eagleburger's speech had cleared away many of the ambiguities in the Reagan Administration's policy toward South Africa. One of these was the myth that South Africa was a reliable strategic ally of America when its very constitution left it vulnerable to disorder.

Mr. Eagleburger's statement that all South Africans had the right to determine their own future without interference should not be construed as an invitation to maintain the status quo, it said.
By Richard Walker

New York — Columbia University trustees have voted not to sell off R45-million invested in companies operating in South Africa, branding the senate's disinvestment proposal as counter-productive.

Columbia's decision will influence the disinvestment campaign of many states and colleges in America.

Columbia's policy allows investment in companies which have signed the Sullivan Code, which seeks to set employment standards for American companies active in the Republic.

The senate had voted for much tougher action after hearing a presentation from Bishop Desmond Tutu claiming investments maintained apartheid in South Africa.

All 53 senators present voted for a sell-off of investments in South Africa.

The university's president Mr Michael Govern admitted surprise at the weight of the senate vote, but refused to reveal his advice to the trustees, although trustees chairman Mr Samuel Higginbotham called disinvestment a "fairly futile" gesture.

A final trustee statement declared "total disinvestment would contribute little to the elimination of apartheid and, indeed, might prove to be counter-productive to this goal and injurious to the university".
Sullivan examines SA moves towards his labour code

Labour Reporter

A former American community and religious leader, Mr Dan Purnell, is in South Africa to investigate the operations of United States subsidiaries.

Mr Purnell is the active arm of the Rev Leon Sullivan, the creator of the Sullivan Code of Employment Practices which define how these subsidiaries should move towards equal opportunities for their workforces.

An articulate and humble man, Mr Purnell comes with the title of executive director of the International Council for Equality of Opportunity Principles Inc.

He makes an annual pilgrimage to South Africa to look into the operations of the Sullivan Principles here and report back to Dr Sullivan.

"I will talk to anybody—church leaders, community leaders, labour leaders—and I've found no difficulty in doing so," Mr Purnell says.

Subsidaries are graded on certain criteria on the basis of the codes. They are said to be making good progress, making progress or needing to be more active.

Funding for the Sullivan operations in the US and in South Africa comes from the signatory companies on a voluntary basis.

But this in no way means that these firms have any say in the implementation of the principles, Mr Purnell says.

The present US draft legislation in the Solaz Bill results from a feeling that in spite of their government's policy of "constructive engagement" towards South Africa the authorities here have been complacent in making movement towards change.

The forced resettlement of squatters has been widely publicised in the US and used by groups favouring disinvestment legislation.

Various labour and other reforms are still considered to be cosmetic, Mr Purnell says.

Dr Sullivan fully supports the Solaz Bill—it contains many principles he has been advocating for more than four years.

While in South Africa, Mr Purnell will deal directly with the representatives of various US firms which are signatories to the Sullivan Principles.

Mr Purnell will also meet non-signatory US companies in South Africa and hopes some of them will soon join.

He sees three major reasons for these subsidiaries not committing themselves to the Principles:

- Firms feel they are too small and therefore not relevant to the operations of the Principles.
- Some firms feel the report-back process is too laborious and not productive for their South African operations.
- Other firms just are not interested in the Principles at all.
American opinion on the subject of trade and investment relations with South Africa is divided. Here are two views which appeared side by side in the influential New York Times.

**Invest in South Africa...**

Says ROBERT WEIGAND, professor of marketing at the University of Illinois

CHICAGO. — The question of what to do about South Africa's race policies is still with us.

A host of organisations have had to decide whether to divest, stop new investments or stop-trading with a country that is so well-known for apartheid, jailings, beatings, murder and other racially derived practices.

What few of these organisations recognise is that South Africa's blacks and the people of mixed race known as coloured are better off, and so, are Americans, if American businesses remain in that country than if they pull out.

First, our role there is negligible — not large enough to affect that country's racial policies. American businesses have invested only $2.5-billion in South Africa — only a tiny fraction of the goods produced there. It is also small when compared with the roughly $10-billion of investment held by European, Asian and other foreign countries.

If our commercial relations with South Africa were truly immoral, then the size of our investments or trade would be irrelevant. That is a larger question. Nevertheless, acknowledging the extent of our ties it is important for those concerned Americans who believe that withdrawing our country's business can have a substantial impact on that country's racial practices. It cannot.

Second, our industry can and does — do more for black and coloured workers by trying to work within the country than by pulling out. American business must resolutely move beyond presently acceptable South African business practices.

The splendid voluntary code devised by the Baptist minister Leon Sullivan of Philadelphia for foreign businesses operating in South Africa includes equal pay for equal work, training programmes for blacks, desegregated working facilities, improved worker housing and transportation and the right to unionise. It is being practised by about half of our companies. There is little doubt that abiding by the code can cost money. Still, it is a way to improve the lot of South Africa's Black and coloured workers while remaining a part of the system.

Third, we are so replaceable. South Africa can easily turn to alternative suppliers of capital and know-how.

Many countries do not share America's enthusiasm for human rights, particularly during a period of world-wide economic difficulties. Any economic vacuum created by American withdrawal would generate much attention. One can almost hear managing directors in other countries holding their collective breath in anticipation of windfall profits brought by an American pullout.

Fourth, South Africa's black and coloured people pay a higher price during economic difficulties than do the minority whites.

Fifth, we need South Africa — unfortunately. The Republic of South Africa is a major source of chrome, manganese, platinum, vanadium, uranium, gold and other minerals that are essential to America's economic and military well-being.

Sixth, Washington should make foreign policy — businesses should not. Nor is it in business interests to introduce an ethical variable into a situation that may be purely economic.
...No, divest instead

say MICHAEL SMITH and STANLEY HOFFMANN, assistant professor and professor of government at Harvard

CAMBRIDGE (Massachusetts).—Why should American universities divest from companies that do business in South Africa? The most powerful reason is the character of the South African regime: No government since Nazi Germany has been so infected with an official ideology of racial supremacy.

Repression in South Africa is institutionalised throughout society. Blacks are systematically denied the most basic human rights.

Of course, many of those who favour continued investment and business-as-usual with South Africa disapprove of apartheid. The problem is how best to demonstrate our disapproval and affirm our commitment to the values of universal human dignity that are at the heart of all institutions devoted to the pursuit of learning and truth.

Opponents of divestiture argue, first, that it is ineffective; second, that it is costly; third that it may even make things worse for those most oppressed and fourth, that divestiture amounts to naïve moralism.

The movement to abolish the slave trade and prohibit slavery in early 19th century Britain is instructive here. Had its leaders been guided by considerations of immediate effectiveness and cost, their campaign would have died at birth. On some basic issues, doing the right thing is important in itself.

Of course, many argue that shareholder resolutions to require adherence to the voluntary code devised by the Rev Leon Sullivan for businesses operating in South Africa are more effective than divestiture or withdrawal.

But beyond such efforts aimed at promoting "change from within" were lasting and sincere—a dubious assumption, at best—they have obviously failed to make the slightest dent in the overall system of apartheid.

Concerning the financial cost of divestiture: we appreciate the problem but believe it to be overstated. No one is asking universities to dump all their stock, at a loss to tomorrow. What matters is establishing the principle of divestiture as a goal.

Will divestiture exacerbate conditions among black workers? In certain cases it might—but every major black leader and group has nevertheless—called for corporate withdrawal.

Moreover, it is doubtful that foreign investment has improved the position of black workers. The gap between white and black wages is widening and employment opportunities remain vastly unequal. More and more, the assertion that American investment helps poor blacks smacks of questionable rationalisation.

Finally, opponents of divestiture are charged with seeking a non-attainable moral purity. Certainly, the danger of ineffectual moralism exists. But there is also a danger of justifying present policies of investment: pious hypocrisy or the (however reluctant) condoning of evil.

We believe it is not naive but moral to divest. Divestiture means more than washing our hands of the guilt of association. It is a constructive act designed to put pressure on an evil system and demonstrate in the clearest way possible that American universities are committed to the fundamental values of our common humanity.
State, federal campaigns for disinvestment

Labour Reporter

The disinvestment campaign against South Africa in the United States is gaining momentum at both federal and state levels.

About 26 states already have some form of disinvestment legislation.

Massachusetts has passed a Bill which restricts any investment in banks doing business with South Africa and there are prospects that similar legislation will be passed in another six states by the end of next year.

In Connecticut legislation was passed which required strict adherence to the Sullivan Code of employment practices and report-back mechanisms to ensure that firms operating in South Africa had a good record.

If such a record were not obtained they would face a one-year probationary period and sanctions.

As a result of the widespread state campaign against South Africa, as well as extensive criticism in the media, the Solarz Bill was recently launched at the Federal level.

The Bill introduced by Representative Stephen Solarz proposes that American firms operating in South Africa will have to adhere to a code of employment practice or face fines and other penalties.

To date, codes of employment practice such as the Sullivan Principles upon which the Solarz Bill appears to be based, have been voluntary codes.

If the Solarz Bill is passed, American subsidiaries in South Africa will be legally bound to adhere to the codes contained in the Bill.

The codes lay down equal wages, working conditions and opportunities for staff of all races in any American subsidiaries operating in South Africa.

But various emergent trade unions and some employers in South Africa have described these codes as window-dressing or public relations exercises.

There are about 300 American subsidiaries in South Africa of which 146 are signatories to the Sullivan Principles. The 146 companies represent about two percent of the country's labour force.

In addition to fines and penalties the Solarz Bill seeks to stop the sale of Krugerrands in the United States and halt new American investment in South Africa as well as company expansion.

The State Department has already expressed reservations about the Bill but it has passed the House foreign affairs committee and has been heard by the House banking committee.

It would have to pass several other government committees.

It is believed there are likely to be some changes to the Bill if it does pass through the House and it would still have to be cleared by the Senate before going for the President's signature.

In the past American government and overseas business interests have stressed the importance of voluntary codes and minimal official interference, as part of the free enterprise system.
A report on a case between Mr Tau Diaale and 3M, in The SOWETAN of June 9, omitted the argument of counsel for 3M. The judge, Mr Acting Justice Schutz, dismissed Mr Diaale’s claim for R5 000 damages for wrongful arrest after being accused of theft and malicious prosecution.

Mr R Meyer, for 3M, told the court it was clear from evidence that Mr Diaale had not been forced to accompany his two colleagues to the police station.

He said it emerged in his testimony that he went voluntarily with them and had not protested or resisted. Mr Diaale, he said, had also admitted under cross-examination that the men did not speak harshly to him, but were courteous.

He also admitted that the reason why he had not protested was because he had been told where he was being taken and the reasons for doing so.

It was also clear, Mr Meyer said, that the two men had wanted the matter investigated further and they did not ask that a charge be laid. Furthermore, there had not been any malice when this was done because Mr Diaale admitted he had not quarrelled with the two before.

In granting 3M absolution, the judge said there had been no indication that Mr Diaale was detained since he was willing to go to the police station.

On the question of malice, Mr Diaale had conceded there had been no enmity between himself and the two men. There had also been no evidence of improper motive when they acted. The men had not only the right, but also the duty, to find the offender if they could.
Threat to US bank loans in SA

By SIMON BARBER
WASHINGTON — Legislation that would force United States subsidiaries in South Africa to abide by the Sullivan principles and outlaw further US bank loans to the Republic has crossed an important hurdle in Congress.

The measure, tucked on to the Export Administration Act as an amendment, was accepted by the House Foreign Affairs Committee and then referred to the House Banking Committee because of its loan provisions.

In a surprise move, the banking committee has now waived its right to study the rider, effectively readying it for a vote on the House floor.

Administration officials, who oppose the measure on the grounds that it will seriously hamper their efforts to become constructively engaged in South Africa, had hoped it would meet tougher opposition in the banking committee.

The banking committee decision was made after several major US banks refused to testify before its sub-committee about their activities in the Republic.

While the Export Administration Act as a whole will be open to new amendments when its reaches the floor, the language of the proposed anti-SA amendment is expected to remain unchanged.

The Act also contains a rider that would re-impose the tight controls on US exports to South Africa which the Reagan administration has eased.

State Department sources now fully expect the House to accept both the amendments, and are hoping, as one put it, that “the Senate will pull the fat from the fire.”

Auss ‘racist’ raised a storm

By MARSHALL MELBOURNE — The Melbourne Courier Mail yesterday called on the Government to put the brakes on a move to give the Jewish community a special immigration status.

By a 41 to 42 vote, the Labor sub-committee of the Federal Immigration Committee recommended that the Jewish immigration preference be given a go-ahead.

Mr. Wellington Leakey, member for the thinly populated electorate which produced the motion, is known to be a strong advocate for Jewish immigration.

Early yesterday, Mr. Leakey said his vote was not determined by any personal or imaginative sympathy for the Jews but by the need to offset a large Jewish immigration preference which had been asked for by the Jewish community.

He said he believed the Government had been “cheesed off” at the Jewish community’s request for such a preference.

“The Jewish community,” he said, “will be treated as one of its own countries.”

Mr. Leakey said he had intervened on their behalf on the basis of his belief in democracy.

Later two Labour front benchers, Mr. G. A. Gough Whitlam and Mr. S. R. Sheer, both of the Liberal party, supported the motion.

Mr. Sheer said: “This is a bad day for democracy. Is this the sort of thing Mr. Lee, who represents us, wants to be?”

The RSL and the Jews are totally out of the picture in the whole of this issue, Mr. Sheer said.

The Jewish community, he said, was now a reality in this country and was seeking full citizenship.

“The whole of the Jewish community of Australia cannot be excluded from the laws of the land, simply because it is a minority,” Mr. Sheer said.

R1 600 000 paid for antique cabinet

LONDON. — A French king's ebony cabinet broke the world auction record for a piece of furniture yesterday.

A "magnificent ebony and lacquer cabinet", once in the private study of King Louis XVI at Versailles, was sold to an American collector for R1 600 000, said an official of auctioneers Sotheby Parke Bernet.

The price topped the previous auction record for any piece of furniture — R1 400 000 paid four years ago for a Louis XV corner cabinet.

The cabinet, inlaid with mother of pearl, was discovered by Sotheby’s experts in a private collection.

It was made for Louis XVI in about 1764, a few years before the French Revolution.

The king took it with him on his last journey to the Tuileries Palace, where held before his execution in 1793.

Sotheby's said it and decoration work of Adam Warhe made several lacquer furniture for Marie Antoinette.
Nigeria plant for GM trucks

DETROIT — General Motors, the world's biggest car manufacturer, was negotiating with Nigeria about setting up a truck-making plant there, a GM spokesman said.

He said talks with the Nigerian Government had recently started, but declined to give details.

However, other company sources said Nigeria offered to give the firm a site in the city of Maiduguri if General Motors agreed to set up a plant by early 1984.

GM has said it plans to assemble light commercial trucks in Nigeria, possibly by 1985. Company sources said it was still unclear to what extent Isuzu of Japan, which is 34.2% owned by GM, would participate in the Nigerian venture.

GM sources said negotiations with Nigeria were expected to continue until the end of the year and added that the venture was part of a recently planned expansion in Africa.

They said terms may be similar to a deal reached several months ago with Egypt.

In Egypt, GM agreed to assemble light and mid-size commercial trucks and buses starting in early 1985, and took a 31% equity interest in the venture.

SAP/Reuter
300 workers go on strike at Vereeniging Coke plant

Mail Reporter 17/1

THE Coke-Cola plant in Vereeniging was brought to a halt yesterday when the entire work force of about 300 people went on strike to support a wage demand.

The workers, members of the Fosato-affiliated Sweet, Food and Allied Workers' Union, downed tools on Wednesday after a breakdown in negotiations with management over wage increases.

According to a union official, the workers had demanded an increase in the minimum weekly wage from R60 to R115. During six meetings with management, the demand was lowered to R65.

Management, the union official said, had offered R77.

The two groups, who signed a union recognition agreement a year ago, were yesterday meeting to discuss the dispute.

A spokesman for the company confirmed that the plant had been shut down by a strike, but would not comment further.
US stake in SA ‘larger’

By Simon Barber
Washington Bureau

WASHINGTON.—A leaked cable from the United States Consulate in Johannesburg to the State Department contradicts the Reagan Administration’s view that disinvestment would have little effect on the South African economy.

The document, which was acquired by investigative columnist Jack Anderson, states: “The potential for US disinvestment could be more important to the South African economy than we had previously assumed.”

This conclusion is based on the finding that American investment in South Africa is almost six times larger than the $3.8-billion figure often quoted by the Administration.

According to information we have recently obtained, the total financial involvement is probably in excess of $14.6-billion,” Mr. Anderson quotes the cable as saying.

According to the document, it then points out that the figure “we have always glibly bandied about” is the $3.8-billion estimate prepared by the State Department.

Disinvestment properties who is large? US companies doing business in South Africa and banks lending to South Africa are all being hit by the US disinvestment movement, “the cable says.

The State Department declined to comment on what one official termed “stolen disinformation.” However, US government sources said the author of the cable, which would provide fresh ammunition for the disinvestment movement, had misunderstood how the State and Commerce departments analyzed US foreign investments.
JOINT PRESS STATEMENT  MAWU / OCEAN MANUFACTURING

FOLLOWING the recent stoppage by employees of Ocean Manufacturing Ltd. at Pinetown, representatives for the Metal and Allied Workers Union and the management of the company met and negotiated a settlement acceptable to all parties.

In terms of the settlement, procedural arrangements between the company and the union were confirmed, the method for the re-engagement of former employees was resolved and ex gratia payments were made for some employees.

The union confirmed its satisfaction with the terms of the agreement and trusted that it would lead to good industrial relations in the future.

Management expressed that it was pleased with the spirit in which the discussions were conducted and was looking forward to the resumption of normal production operations with immediate effect.

MAWU DECLARES DISPUTE AT PIETERMARITZBURG FACTORY

THIS week the Metal and Allied Workers Union was forced to declare a dispute with McKinnon Chain SA which is a subsidiary of Columbus McKinnon USA.

The dispute at McKinnon Chain arises out of the company's continued refusal to enter into negotiations on recognition with MAWU which has been organised at the plant for some three years and represents a majority of the hourly paid employees.

Mr. Mbanjwa the local MAWU organiser reported that the company had made many undertakings to the union that it would give it recognition but it always ended up reneging on these agreements. He said that the union was keen to take the case to the Industrial Court because it had now been established that employers were bound to negotiate in good faith with representative unions.

CWIU AGREEMENTS COMPLETED

THREE Recognition Agreements have recently been completed in the Glass Industry. The Agreements are between the Chemical Workers Industrial Union, a FOSATU affiliate, and companies in the Plate Glass Group.

Full Recognition Agreements have been signed at Plate Glass, Germiston, Shatterprufe Safety Glass, Pretoria, and Shatterprufe Safety Glass, Port Elizabeth. The Port Elizabeth plant was previously organised by the TUASA affiliate Glass Workers Union. But workers resigned and joined the FOSATU union when they heard about the progress in glass factories in the Transvaal.

The Agreements are the first in the Glass Industry and have been negotiated since the merger of the former Glass and Allied Workers Union with the Chemical Workers Industrial Union. The merger took place in December 1982.

The Agreements cover recognition of shop stewards, access for organisers, stop order facilities, procedures for handling grievances, discipline, retrenchment and disputes. They also allow for full collective bargaining rights on wages and working conditions.
SA defence aided by US investment

The State Foreign News Service

MOSCOW — The Soviet Union has charged that American investment and credits are enabling South Africa to increase its defence spending.

A commentary in Pravda, the Communist Party daily, said half of the 500 major US corporations had branch offices or subsidiaries in South Africa and that US companies owned 37 percent of all foreign stock capital in the mines.
Company says it knows nothing of a dispute

By STEVEN FRIEDMAN
Labour Correspondent

THE Metal and Allied Workers Union says it has declared a dispute with a Maritzburg company, which could lead to another key industrial court ruling on the obligation of employers to bargain with a majority union.

The union says it has declared the dispute with McKinnon Chain (SA), a subsidiary of the American firm, Columbus McKinnon, because the company refuses to recognise it.

McKinnon's managing director, Mr D S Samuel, yesterday denied that the company was unwilling to recognise MAWU and added that it was not aware that the union had declared a dispute with it.

The threatened action follows two rulings by the court this year which have been seen as backing the view that an employer must negotiate with a majority union.

In a statement, MAWU said it had been forced to declare a dispute with McKinnon Chain because of the company's "continued refusal to enter into negotiations on recognition with MAWU, which has been organised at the plant for some three years and represents a majority of the hourly paid employees."

It claimed the company had made many undertakings to the union that it would give it recognition, but always ended up reneging on these agreements.

The union was now keen to take the case to the court because it had now been established that employers were bound to negotiate in good faith with representative unions.

Mr Samuel said, however, that McKinnon was in the process of preparing a procedural recognition agreement to be signed by MAWU.

He said the Steel and Engineering Industries Federation (Selisa) had prepared guidelines urging firms to sign these agreements with unions willing to join the Metal Industrial Council. McKinnon would abide by these.

"We received them this week and, once we have studied them, will present the union with a document," Mr Samuel said.

Meanwhile, MAWU has reached an agreement with a Pinetown firm Ocean Manufacturing on grievances raised during a recent strike by MAWU members, according to a joint statement by MAWU and the company.

Labour Correspondent
POLICE have denied allegations that they are "intimidating" members of the Commercial, Catering and Allied Workers' Union (CCAWUSA) — but have not denied any of the specific claims made by the union on Thursday.

In a statement, CCAWUSA claimed that three of its members at an OR Bazaars warehouse in Johannesburg were raided by police and held briefly. It also alleged that their homes and work places were searched.

It said this followed the detentions of union shop stewards in Newcastle and Poyntefietro.

The union alleged that all the workers whom police acted against were questioned about union activities and that one member was allegedly given an electric shock.

It accused police of "intimidating" its members and urged the Ministers of Police and Manpower, as well as employers, to act to prevent this.

Yesterday police replied to these allegations after the
GM chief enjoyed his ride to top

By KEVIN VERNON
Weekend Argus Bureau, Port Elizabeth

THE head of General Motors' multimillion rand South African operation is a man who has enjoyed every minute of his climb up the corporate ladder.

Mr Lou Wilking, 53, is proud of his humble origins as the son of a mechanic turned grocer in tiny Lochland (population 5 000), Ohio.

"The steep climb has taken 21 years, and, he says: "I have achieved more than I ever believed possible when I first set out."

"A person's aims are limited by the scope of his immediate horizon, and only as his horizons are broadened does greater achievement become possible."

Since he has been general manager here, he has expanded GM's programmes concerned with the welfare of GM's employees, especially blacks.

Good business

"Ever since 1962 GM has been supplying the children of black employees with free school books, and often helping with school expenses.

"GM has also adopted 21 schools, with some 13 000 school children, to whom we give financial support."

While concern with worker welfare is by no means limited to GM operations in South Africa, "the political system in operation here virtually forces a firm such as GM too expand into a greater social responsibility."

"And I believe it is also good business, because when these people are on their feet financially they will buy the products of these companies which helped them to get on their feet."

Potential

He gets annoyed at those people who say that GM might one day pack up and leave the country.

"South Africa has been good business for GM for the 57 years we have been here, and with the massive investment in plant personnel constantly expanding, there is no way I can see GM ever leaving."

While he sees the vehicle market in South Africa as perhaps over-competitive, he believes the country has "dramatic potential."

"The car density of white South Africans is the same as in the US. If blacks can be brought into the market as well then the market will increase three or four fold."

Intrinsic wealth

"Add to this the stability and good financial climate and the tremendous intrinsic wealth of South Africa, and the sky is the limit."

As for his personal future, Mr Wilking says he would be "more than happy" to spend a few more years here.

"There are still some important things I would like to achieve, and also some things I would like to see through to their successful conclusion."

"But I still have 12 years to go before I reach the nominal retirement age, and so far I have seen some strange places and I have had a lot of fun. Who knows what the future has in store?"

Korean war

After graduating with a BSc in Business Administration from Cincinnati's Xavier University in 1952, the young Lou Wilking hoped at best to become a safe and secure public accountant.

But the Korean war intervened and as he had taken military

To Page 3
tactics at university and was on the officer reserve list, he headed off to war as an artillery officer.

In 1954 he returned as a lieutenant of artillery, with prospects of soon becoming a captain, and faced a turning point.

"The army was not such a bad life, but I was planning to marry and the money I could earn at the Chevrolet division of GM lured me there.

"I have been at GM ever since and have never regretted it."

Trouble shooter

After a while with Chevrolet he became travelling auditor and showed such aptitude that he soon came to be a financial trouble-shooter investigating varied aspects of the gargantuan GM budgets which were not functioning efficiently.

"One particularly interesting job was to negotiate a complex new agreement for the movement of parts to and fro across the Canadian border. My recommendations eventually became the basis for all US-Canadian trade.

"Another time when investigating taxes paid by GM in various states — in the US different states have different tax structures — I discovered that if the GM office in Philadelphia was moved just across the river to Hampden, New Jersey, the company would save $4 million in state taxes."

Unbiased

The ability to see a problem and find a solution meant that he quickly became in great demand, and he has been on assignments in GM plants in Australia, South East Asia and Iran, as well as South Africa.

Such wide-ranging experience meant inevitably that he became involved in "more than just adding numbers," but also entered into the basic concepts of the business operations he was assigned to.

"As my boss once said when sending me off to some place 'you might just be dumb enough to ask the right questions,' meaning that I could approach problems with an unbiased viewpoint."

His first experience of South Africa was in 1971 when he was sent there to find out why the GM operations were losing money.

In 1973 he was appointed to South Africa as treasurer and by mid-1974 the operation was back in the black.

In mid-1974 he was transferred to Iran to start up GM operations there, and he stayed until 1977 when he was made general manager of GM South Africa.
US investments do help blacks in South Africa

The debate between Professor Weingand and Professors Smith and Hoffman concerning US disinvestment in South Africa’s industries is a good example of intellectual quick-fix solutions to very complex problems.

It would remain an innocuous debate except that the penalty for mistakes will have to be borne not by these intellectuals, but by South Africa’s blacks. The foremost concern of this debate is not race, but power. This calls for much greater caution than is demonstrated by these protagonists.

Professor Weingand typifies one position in this debate when he confines morality and self-interest. If disinvestment is a moral position, why introduce the issue of economic self-interest?

Why hesitate in asserting that investments can and do help blacks? This moral position need not be buttressed by the argument that the US investor will also gain spin-off benefits from it.

The US enjoys a very positive image among many of South Africa’s blacks, in part because of the association of American companies with a political system which has done more to legislate against discrimination than any other country in the world.

The Sullivan principles have sensitised many white and black South Africans to the power of the corporation as an instrument of social change than have any international cricket or rugby unions.

The major problem of these external non-governmental sources of pressure is that their efforts are selective in that they are not universalised.

This undermines the argument by Professors Smith and Hoffman, who hold that, in opposing the evil system of apartheid, “American investments are committed to the fundamental values of our common humanity.”

Were this the case, universities would certainly have to expand their efforts to protest against at least one-half of the world!

The would-be disinvestors-at-any-cost ignore one of the two age-old methods of inducing children or states to behave in a desired way: the allocation of punishments, but also the dispensing of rewards.

A policy of only negative sanctions and total disinvestment would, if it were logically enacted to the desired degree of perfection, achieve the collapse of the Government, after which the blacks would inherit a destroyed economy, rampant poverty, a total lack of a trained labour force and managerial cadres, capital flight, and, of course, a total avoidance by external investors.

If this is the consequence of a prescribed morality, I wish to dissociate myself from it completely.

Professors Smith and Hoffman refer to human rights as being either political and civil or social and economic. The former was promised profusely throughout independent Africa, but the latter interpretation has remained elusive on this continent.

The disenfranchised majority section in South Africa is a rare group in Africa in that the blacks can aspire to attain both versions of human rights. Yet, by an incomprehensible reasoning process, Professors Smith and Hoffman call for the destruction of this economic core which is the very source of that hope.

There are many black leaders who do appeal to foreign companies to disinvest, but there are also those who appreciate that economic emancipation in South Africa for the blacks is within reach, but that it will require black skills, jobs, savings and management and not an economic holocaust. Black economic power builds black political bargaining power.

Is this an argument for “business as usual”? It is not.

The question, as I have noted earlier, is not race so much as it is power. The hitherto privileged economic class is presently confronting the emergence of an increasingly cohesive united front majority that is demanding nothing more than what white people in the West have valued above all—self-determination along with all the delicious accruements of a good life.

Foreign universities, churches and sporting organisations will hardly succeed in eliminating only apartheid in the face of cultural suicide which the whites would perceive as the consequence of a simple one-man, one-vote resolution.

The ultimate answer to the future will be more complex. The precious economic foundation so laboriously built in South Africa will be able to serve the interests of all social sectors.

And as for black political participation, this can be accommodated in a segmented South Africa-realised into a federation, or at least an economic confederation. These are major changes and call for decisive actions and demonstrations of mutual restraint.

It will not be external universities nor sporting organisations that will bring this about but the mutual respect for power equilibration within South African society.
Fluor wins NPR refinery contract

Financial Report

Fluor Engineers SA (Pty) has been awarded a contract by National Petroleum Refiners (Pty) to perform modifications at a refinery in Sandton.

The value of the contract has not been disclosed.

Fluor will provide project management, engineering, design, procurement, and field support services for the third phase of the modification project. The contract calls for upgrading of the refinery’s black-oil cracker.

Fluor performed the initial two phases of the work, including preparation of a budget estimate and selection of approved vendors with quotations for critical equipment and materials.

The refinery’s black-oil cracker uses a Universal Oil Products process to break down heavy residue oil into additional marketable products. It is the only cracker of its type in operation in the world today.

The project includes two new reactors from Japan, with associated supporting structure, high pressure alloy piping and other ancillaries within the existing unit.

Overseas procurement for the reactors and pipes materials will involve Fluor’s offices in Tokyo and Irvine, Scotland. The Irvine office will also perform the engineering and design of the reactors in conjunction with Universal Oil Products.
For a hero who risked his life to save a blazing petrol tanker from exploding

Tribune Reporter

A PACKET of biscuits and a packet of rusks costing R2.16 was the reward a motorcycle messenger received after risking his life to save a blazing petrol tanker from exploding in the centre of Pietermaritzburg.

The heroic deed was carried out by Justice Zulu, a Sobantu resident, when he saw flames and smoke spewing from the undercarriage of the fully-laden R120 000 tanker.

In what he described as a "reflex action", Mr Zulu ran to a nearby garage to grab a fire extinguisher which he used to smother the flames and prevent them from spreading.

Had the R14 000, 23 000-litre load exploded in the busy city street would have become the scene of carnage, chaos and devastation.

Later, he was visited at the pharmacy where he works by a representative of the local office of Caltex Oil (Pty) Ltd, who thanked him on behalf of the company and handed him a "small present" in recognition of, and appreciation for, his thinking gallantry.

Obvious excited, Mr Zulu promptly made his own presentation of the 250 g packet of biscuits and 500 g packet of rusks. He passed them on to a beggar whom he felt needed them more than he did.

"A word of thanks would have been more appropriate," he said.

"I wasn't looking for a reward at all — but what would I have got had I been a white man?"

It was insulting that in return for risking his life he should be given "dry cakes" for which, in any event, he had no taste.

The incident has proved highly embarrassing for the oil company — especially after the manager of the Caltex Pietermaritzburg branch, Russell Lazenby, told a reporter: "What does he expect? If he's not satisfied with biscuits he can give them back!"

Caltex's delegated spokesman, Keith Buick, of Cape Town, said there was an established procedure when the company decided to make awards for bravery, long service or the like — but this did not extend to handing out biscuits or rusks.

"It's neither our style nor policy.

"We will speak to the Press."

"With similar incidents in the past we have made presentations of gold watches."

It appeared Mr Lazenby — "whom we will be speaking to about this" — had contravened company regulations by not informing head office of the incident in which a tanker had caught alight and then by speaking to the Press.

Asked whether it was likely that Mr Zulu would be presented with a more suitable gratuity, Mr Buick replied: "Oh, indeed.

"We will ensure that Justice Zulu gets a just reward."

Mr Lazenby was not available for comment.
Transkei plans its own
tax-free Las Vegas

A MYSTERIOUS American businessman has for the past two years been secretly negotiating with the Transkei government for rights to establish a casino, banking and tax haven—described as 'Las Vegas and the Bahamas rolled into one'—on the Transkei coast.

Negotiations are apparently well advanced, and the Transkei government's go-ahead for the ambitious scheme—said to involve hundreds of millions of rand—is believed to be imminent.

The proposed scheme provides for at least three casinos, several banks and 2000 spectators each fronting the south coast along a 10km strip of the Poordaland coast.

Only the small Mambeni game reserve separates the strip from Holiday Inn's Wild Coast casino.

It has been established that a few senior members of the Transkei government, including President Kaiser Matanzima, were shown a draft of the proposed agreement at least a year ago.

Negotiations were resumed two weeks ago when American negotiators were invited to return to Umtata as the guest of the Transkei ministry of foreign affairs.

Informed sources in Transkei disclosed that the scheme was first mooted two years ago when a group of six black American businessmen were invited to Transkei by 'roving ambassador' in America, Mr M Mamphela.

They were described as 'well connected in business and political circles in Washington'. Several government sources in Umtata claimed this week that the businessmen had come to Transkei 'with an introduction from the Carter administration'.

Main promoter of the casino and banking project has been identified as Mr Ernest Etason Cash III, of Long Beach, California.

Mr Cash's latest visit coincided with the announcement of the amalgamation of Southern Sun's and Holiday Inn's casino interests in Southern Africa in Mr Sol Kerzner's new gambling empire.

Besides casinos, banks and millionaire mansions, the scheme also provides for a floating harbour and an international airport.

The agreement does not indicate who is to finance the harbour and airport, but suggests that the scheme could provide employment for 7000 Transkeians.

"The scheme will require an investment of hundreds of millions of rand. Before embarking on this major scheme, however, Mr Cash has undertaken to build a small hotel at Eibeleni, President Matanzima's home village in the south," said one source.

A spokesman for the Transkei president's office said Mr Matanzima was not available to speak to the Press.

- Mr Sol Kerzner, who two weeks ago took over control of all Holiday Inn casinos in Southern Africa, flew to the Wild Coast Holiday Inn on Friday.

He said he was "totally unaware" that the Transkei government was negotiating with American interests for a new casino and banking centre right on his doorstep.

"I have never met or heard of Mr Cash and really can't comment on something I know nothing about," he said.

Mr Kerzner said he had been under the impression that Holiday Inn held the sole concession for casinos in Transkei, "but I don't know the facts."
BLACK UNIONS SEEN AS FORCE FOR CHANGE IN S. AFRICA (1,200)
BY JO CAMPBELL
USIA STAFF WRITER

WASHINGTON -- THE REVEREND LEON H. SULLIVAN, AUTHOR OF
GUIDELINES FOR AMERICAN COMPANIES IN SOUTH AFRICA IN
ESTABLISHING WORKER EQUALITY, IS OPENING A SECOND FRONT
AGAINST APARTHEID.

THE BLACK TRADE UNIONS, I THINK, ARE THE MOST IMPORTANT
FORCE EMERGING IN SOUTH AFRICA FOR PEACEFUL CHANGE, SULLIVAN
SAID IN A RECENT INTERVIEW. ONE OF MY MAJOR CONCERNS IN THE
EVOLVING PROCESS OF THE (SULLIVAN) PRINCIPLES HAS BEEN THE
EMPLOYMENT OF THE BLACK WORKER THROUGH THE UNIONISM FACTOR,
AND THAT IS THE DIRECTION IN WHICH I AM GOING NOW.

SEVEN YEARS AGO SULLIVAN BEGAN APPROACHING MANAGEMENT OF
AMERICAN COMPANIES OPERATING IN SOUTH AFRICA, PURSUADING THEM

TO AGREE TO THE SIX +SULLIVAN PRINCIPLES+ OF WORKER EQUALITY.
ACCORDING TO THE SEVENTH REPORT ON THE SIGNATORY COMPANIES
THERE ARE NOW 179, 67 OF THEM RANKED AS +MAKING PROGRESS,+ SOME
+MAKING GOOD PROGRESS+.

SOUTH AFRICAN BRANCHES OF SOME AMERICAN COMPANIES YEARLY
INCREASE PARTICIPATION IN THE SULLIVAN PROGRAM, ACCORDING TO
THE REPORT PREPARED FOR THE INTERNATIONAL COUNCIL FOR
EQUALITY OF OPPORTUNITY PRINCIPLES, INCORPORATED, BY THE
ARTHUR D. LITTLE CONSULTING FIRM OF CAMBRIDGE, MASSACHUSETTS.
BUT MANY COMPANIES MAKE LITTLE OR NO PROGRESS TOWARD
PROVIDING EQUAL OPPORTUNITY FOR BLACKS AND OTHER NON-WHITES.
THE DECISION THIS YEAR TO MAKE PREVIOUSLY VOLUNTARY
ASSESSMENT PAYMENTS COMPULSORY HAS CUT 29 COMPANIES FROM THE
LIST. MANY OF THE DROPPED COMPANIES, ACCORDING TO ARTHUR D.
LITTLE, HAD NOT PAID FEES EVEN UNDER THE VOLUNTARY
ARRANGEMENT, AND SEVERAL HAD GONE OUT OF BUSINESS.

SULLIVAN, FOUNDER AND CHIEF OF OPPORTUNITIES
INDUSTRIALIZATION CENTERS (OIC), A SELF-HELP AND VOCATIONAL

TRAINING ORGANIZATION IN THE UNITED STATES, AND OIC
INTERNATIONAL, WITH PROJECTS IN AFRICA AND THE WEST INDIES,
TOOK A RECENT WASHINGTON PRESS CONFERENCE THAT HIS PRINCIPLES
ARE NOT DESIGNED TO BE THE TOTAL SOLUTION IN ELIMINATION OF
APARTHEID, BUT THEY CAN CONTRIBUTE WITH OTHER FORCES TO MAKE
THIS A REALITY, A GOAL WHICH HAS NOT CHANGED.

THE PRINCIPLES CALL FOR NO SEGREGATION IN ANY WORKPLACE
FACILITIES, EQUAL EMPLOYMENT RULES FOR ALL EMPLOYEES, EQUAL
PAY FOR EMPLOYEES DOING EQUAL OR COMPAREBLE WORK FOR THE SAME
PERIOD OF TIME, TRAINING PROGRAMS TO PREPARE BLACKS,
COLOREDS AND ASIANS FOR SUPERVISORY, ADMINISTRATIVE,
TECHNICAL AND CLERICAL JOBS, INCREASING THE NUMBER OF BLACKS,
COLOREDS AND ASIANS IN MANAGEMENT AND SUPERVISION, AND
IMPROVING HOUSING, TRANSPORTATION, SCHOOLING, RECREATION AND
HEALTH FACILITIES.

SOME AMERICAN COMPANIES IN SOUTH AFRICA, INCLUDING FORD
NATOR COMPANY, CITICORP, EASTMAN KODAK, IBM, ITT, EXXON,

PAGE 2. AF3021109
GENERAL MOTORS AND KOHL OIL CONTINUE ACTIVE, OUTspoken
SUPPORT OF THE PRINCIPLES, ACCORDING TO THE REPORT.

THE NEXT STAGE OF PROGRESS, IN SULLIVAN'S OPINION, MUST
INVOLVE THE WORKERS THEMSELVES, HELPING THEM TO MOVE UP
ECONOMICALLY AND THEN POLITICALLY.

EMPOWER THE WORKERS WITH RIGHTS IN THE WORKPLACE, HE
SAID, AND THE WORKERS WILL EMPOWER THEMSELVES WITH RIGHTS AS
A POLITICAL FORCE.

SULLIVAN HAS BEEN INVITED TO EXPLAIN HIS PRINCIPLES DURING
A MEETING OF THE INTERNATIONAL CONFEDERATION OF FREE TRADE
UNIONS IN DUSSELDORF, GERMANY, AT A SYMPOSIUM JANUARY 19-20,
1984, CONVENED TO EVALUATE ICFU'S SUPPORT OF THE BLACK
UNIONS IN SOUTH AFRICA. FOLLOWING THE ICFU MEETING, HE
PLANS TO VISIT CORPORATE MANAGEMENT AND PARLIAMENTARY LEADERS
IN A NUMBER OF EUROPEAN COUNTRIES AND IN JAPAN IN AN EFFORT
TO GET THEM TO PUT SOME ENFORCEMENT BEHIND THEIR EFFORTS TO
REGULATE THEIR OWN COMPANIES IN SOUTH AFRICA, SULLIVAN SAID.
WITHOUT ENFORCEMENT, IT IS A FIZZLE.

THE ARTHUR D. LITTLE COMPANY, UNDER CONTRACT TO THE
SULLIVAN ORGANIZATION, ANALYZES THE COMPANY RESPONSES TO THE
50-PAGE QUESTIONNAIRES CONCERNING THEIR EMPLOYMENT POLICIES
AND CONDUCTS MEETINGS OF REPRESENTATIVES OF THE SIGNATORY
COMPANIES IN AFRICA DURING TWO WEEKS EACH YEAR. IN ADDITION,
ACCORDING TO THE COMPANY'S CONSULTANT SUSAN PENDLETON,
DISCUSSIONS HAVE BEEN HELD WITH LEADERS OF BLACK TRADE UNIONS
AND WITH INDIVIDUAL BLACK WORKERS.

BY AND LARGE, PENDLETON SAID, BLACK WORKERS IN U.S. FIRMS
IN SOUTH AFRICA THAT I HAVE TALKED TO...FEEL THAT THE
(SULLIVAN CODE) PROGRAM IS VALUABLE...BUT THEY HAVE CONCERNS
ABOUT WHAT THE COMPANIES ARE REPORTING TO US...MOST OF THE
WORKERS THE CONSULTANT TEAM MEETS, SHE ADDED, ARE ONES THAT
THE AMERICAN FIRMS HAVE MOVED UP AND HAVE GIVEN FAIRLY
RESPONSIBLE POSITIONS WITHIN THE COMPANY. SO THE PROGRAM HAS
BENEFITED THEM QUITE A BIT.

THEY WOULD LIKE TO BE MORE INVOLVED IN THE PROGRAM, AND I
WOULD LIKE TO SEE THEM MORE INVOLVED...BECAUSE THIS PROGRAM
IS REALLY FOR THEM, TO HELP THE WHOLE SITUATION DOWN
THERE....

SOME COMPANIES HAVE OUTSTANDING WORKER-PARTICIPATION
PROGRAMS, AND THE ARTHUR D. LITTLE TEAM CAN ENCOURAGE OTHER
COMPANIES TO IMPROVE THEIR EFFORTS, SAID PENDLETON, BUT IT
IS UP TO THE COMPANIES THEMSELVES TO WHAT EXTENT THEY INVOLVE
THOSE EMPLOYEES.

PATRICK O'FARRELL, DIRECTOR OF THE AFRICAN-AMERICAN LABOR
CENTER IN WASHINGTON, BELIEVES STRONGLY THAT THE COMPANIES
SHOULD NOT BE THE SOLE ARBITERS OF COMPLIANCE OR EMPLOYEE
INVOLVEMENT.

IN THE FINAL ANALYSIS IT IS SOMETHING THAT THE WORKERS
THEMSELVES HAVE TO DO THROUGH THEIR LEGITIMATE
ORGANIZATIONS; O'FARRELL SAID IN AN INTERVIEW, ADDING THAT,
IN HIS OPINION, THE WORKERS ALONE ARE COMPETENT TO SAY ON A
DAY-TO-DAY BASIS THAT A COMPANY IS PAYING THE WAGE, OR
INSTITUTING THE PROGRAM OR RESPONDING TO GRIEVANCES IN THE
WAY IT PROMISED.
In our judgment, a better way to attain that kind of satisfaction with the working conditions and wages on the part of the workers is for the workers themselves to do it, organize a union to go to the management, to bargain collectively for the conditions of their services... on the basis of a contract," said O'Donnell.

There has been great progress in the South African black trade union field, O'Donnell said.

"If somebody had said to you ten years ago that ten years hence it would be possible to have a multi-racial union in South Africa including blacks, whites and all the spectrum of color in South Africa, and that the union could be registered and function under the labor laws of South Africa, I guarantee that anyone involved in the labor movement at that time would have said that you were crazy, that it could not happen in ten years, but it has happened," he said.

The Reverend Leon Sullivan and Patrick O'Donnell have discussed ways to place more power and participation in the hands of the black trade unionists, making them part of the reporting and enforcement mechanism for the Sullivan code.

O'Donnell agrees with Sullivan that the trade unions represent a reservoir of hope for change without conflict in South Africa.

"We feel that it is maybe the last real area in which peaceful movement toward change can be made," the American labor leader said, adding:

"The involvement of the black workers in the determination at least of their economic lives will have an effect on the development of their social lives, and that in turn will have an effect on the development of the political system in the country. The development of the black trade union movement is a very significant development."
Focus on disinvestment

Relations between the United States and SA are possibly entering a cooling-off period. Not in the sense that there has been any abrogation of the policy of constructive engagement. But after a long lull grassroots American anti-apartheid movements are making their presence felt with fresh vigour — and from their point of view there have been significant gains.

The latest often represents a move to sever cultural and artistic ties between the US and SA. An organisation called Artists and Athletes against Apartheid has picked up on the slender thread of a 1968 UN resolution calling for a cultural boycott of SA. For several years, boycotts directed against SA were considered ineffective, even counter-productive. It was widely believed that US disinvestment of all types would hurt SA blacks first and foremost. This view is summed up by a comment of Karl Magyar, Professor of Political Science at the University of Durban-Westville: "A policy of only negative sanctions and total disinvestment would, if it were logically enacted to the desired degree of perfection, achieve the collapse of the SA government, after which the blacks would inherit a deeply divided, economically ramshackle society, a total lack of a trained labour force and managerial cadres, capital flight and, of course, a total avoidance by external investors."

Leaders like Chief Gatsha Buthelezi have proposed that SUs businesses in SA to operate in full compliance with the Sullivan Code: fair employment principles (Most local unions feel that the Sullivan Code has become irrelevant — but that will not affect perceptions in the US.) Support for the Bills comes from Democ- ratic representatives who want to abide by the spirit of UN resolutions prohibiting the sale of arms, and the technology to produce them, to SA. While arms exports to SA remain illegal, the Ronald Reagan administra- tion has bent much of the legislation nuclear technology very substantially restricting flows of capital and technology.

While the Reagan White House is clearly less anti-South African than the preceding administration, advisers to Reagan have warned that politically he cannot afford to appear too friendly to Pretoria. The activities of civil rights leader Jesse Jackson are also playing a role in the administration's thinking in the run-up to the 1984 presidential elections (see Current Affairs).

For this reason, respectively, the White House has not yet approved the $100m application by Westinghouse Corp. to service SA's nuclear installations at Koeberg. Until now, US companies had a few dealings with SA's nuclear power programme, because SA has not signed the Nuclear Non-Proliferation Treaty, and because it is widely believed that SA is working on its own nuclear arms programme. A spokesman for Westinghouse said the contract had little to do with providing nuclear technology per se, but is a training and servicing arrangement.

Nonetheless, a dozen or so "dismayed" congressmen have written to the President asking him not to approve the application, adding that it would lead to quick hear- ings on the effects of such a sale. The White House, however, appears to be tilting to- wards approving the sale.

Meanwhile, various local authorities continue to make their own moves. For exam- ple, the District of Columbia Council is debating its own disinvestment bill: Council member and disinvestment proponent John Ray cited analyses by Robert Schwartz, of Shearson-American Express, and Joann Bava, of Boston's Franklin, that divestment could be implemented with no adverse effect on the earnings of pension funds.

This follows developments in 1982, when Connecticut, Massachusetts and Michigan enacted laws to restrict investment of state funds in SA. About $160m worth of SA-related stocks were subsequently sold, according to the Washington-based Investor Responsibility Research Centre.

However, while such legislation is prompted by a variety of groups with considerable clout at state level, two considerations could affect the momentum of the movement — and influence Congress. The first relates to the security of pensions. According to Michael Spicer of the SA Institute of International Affairs: "The trend is quite clear. At state level the anti-apartheid movement is adopting more sophis- ticated measures than resolutions at stockholders' meetings. Such meetings, from their point of view, provide a bad fo- rum — many people present at them are not sympathetic."

A point which is being frequently raised at stockholders' meetings is that if pension funds are prohibited from being invested in many companies with SA links — which is a high proportion of the Fortune 500 — the security of pensions could be endangered.

So, as Spicer points out, "The movements get a far better hearing at the state legisla- ture level, which has a greater representa- tion of minority groups and women. And, from a publicity point of view, what they say there has a far greater resonance."

The second factor which could adversely affect disinvestment and boycott moves lies in court actions over their constitutionality. If the SA administration's w operative in the Washington office, contends that state laws calling for disinvestment contradict the US constitution, which states that foreign policy is the prerogative of the central government, as well as the regulation of foreign commerce.

Court actions which debate aspects of the US constitution will inevitably be dragged out for years, and the very prospect of this happening could deter state legislatures from acting precipitately without Congressional sanction. For this reason, any move by the central government to curtail the flows of US goods and capital to SA could reinforce momentum at state and district levels — and vice versa.

While on the Berman amendment, therefore, could set the tone of US-SR relations for some time to come. And unless the White House can convincingly present the reform moves in SA as a positive result of the constructive engagement policy, there could be a shift away from the qualified friendliness that has characterised the Reagan administration's relations with Pretoria.
Washington city votes to cut financial ties with SA

By Neil Larsen
The Star Bureau

WASHINGTON — The city council here has unanimously approved a controversial Bill which prohibits it from dealing with American corporations that have ties with South Africa.

The Bill, introduced by councillor John Ray, instructs the city's pension fund managers to sell R70 million worth of shares in 31 companies, which includes some of America's most prominent corporations.

It also orders the city treasurer to close accounts in banks that have outstanding loan transactions with South Africa.

A bank which gets a large slice of Washington's annual R2200 million business is Riggs National Bank.

A Washington official said today public documents showed that Riggs had entered into loan deals with South Africa but it had declined to provide the city with details.

If Riggs wanted to keep its two large city accounts — one for property tax revenue deposits and the other for motor vehicle licence deposits — it would have to produce an affidavit proving that the South African loans had been "offloaded".

The bank had two years to comply.

The Bill faces one more hurdle. It must be reviewed within 30 days by a United States Congress committee which oversees the city's financial affairs.

Some Congressmen have threatened to veto the Bill on the ground that it is "unfair" to pensioners at a time when they need as much money as they can get.

They said it was financially foolish to sell shares in some of America's most profitable companies.

If the Bill's opponents do win a veto, it will be challenged in the courts here and the decision may have a bearing on Washington's independence from the Congress.

The Appeal Court would have to take into account a recent US Supreme Court decision that legislative vetoes are unconstitutional.

A similar decision in the Appeal Court would undercut the existence of the mostly black city council which was granted independence in 1974.

Until 1974, Washington was run by the Congress and even its mayor was an appointed Congress has retained its financial oversight because a great deal of Federal money is pumped into the bankrupt city.
Anti-SA campaign stalls

By Simon Barber

WASHINGTON — The grassroots campaign in the US, to push state and local governments to divest public funds from companies that do business with South Africa, has stalled — at least for this year.

Of the 26 state legislatures that were expected to consider divestment Bills this year, only three have passed laws — Massachusetts, Michigan and the District of Columbia. In 16 other states, Bills have either been killed or shelved until the 1984 legislative season.

These figures emerge from a state-by-state breakdown prepared by the American Committee on Africa, one of the divestment movement’s main co-ordinators.

In most cases, the divestment Bills failed to move beyond committee, either pushed aside by more urgent business or having run into stiff opposition.

Major battles developed in Kansas, Oregon and Wisconsin. A strong Bill was overwhelmingly accepted by the Kansas House of Representatives, but died when the state Senate refused to debate it.

The Oregon House defeated a measure to divest state pension funds after the state’s Retirement Board argued that the move would not be “fiscally prudent”. The Bill’s supporters also blamed energetic lobbying by the South African consulate in Los Angeles.

Similar claims were made in Florida after the state’s House Commerce Committee killed a measure to divest all state funds over three years. In Iowa, even a mild divestment Bill requiring only that “idle funds” should not be invested in firms with South African dealings, failed to reach the legislature floor.

Of this year’s three approved Bills only one, in Massachusetts, has thus far gone into effect. Treasury officials have sold about $75m worth of South Africa-related stocks and bonds from the state’s investment portfolio.

The Michigan law, which affects only the portfolios of state educational institutions, is being challenged in court by the regents of Michigan University who claim an unconstitutional intrusion on their authority. A broader Bill, modelled on the Massachusetts measure, died in the state’s retirement fund committee.

Last week Washington, DC, City Council gave final approval to a broad divestment measure affecting at least $33m in city pension funds. Because Washington, DC, is not a fully autonomous, the Bill must first be vetted by Congress and may be challenged.

In spite of this year’s setbacks, the divestment movement is far from dead. Most of the legislation which failed in state Houses will be reintroduced next year. Nonetheless, as Mr Steve Hauck, a South Africa analyst at the Investors Responsibility Research Centre, put it recently: “The divestment campaign hasn’t yet turned into the steamroller its supporters thought it would.”
Congress gets tough on investment in SA

From SIMON BARBER

WASHINGTON — The United States House of Representatives yesterday accepted legislation banning all new investments including bank loans and other extensions of credit to South Africa.

The measure, an amendment to the Export Administration Act, was passed on a voice vote and is the strongest anti-South Africa law ever approved by Congress.

Offered by Mr William Gray of Pennsylvania, the legislation strengthens language already placed in the act by Mr Steven Solarz, the former Africa sub-committee chairman who has co-ordinated anti-apartheid efforts in the House.

Congressman after congressman rose to support Mr Gray and to denounce the Republic.

Only a handful attempted to fight the measure. One of them, Mr. William Frenzel, a Republican and free trade advocate, summed up the problems of would-be opponents when he said, "This leaves very little room for those of us who believe in free trade to avoid looking like red-neck racists."

Under the Gray amendment the President would have 90 days to draw up regulations prohibiting all fresh investments in South Africa. The prohibition could be waived if the President certified "substantial progress" by the South African Government towards dismantling apartheid.
Before the Big Lift-off in SA

IF tests the Franchise Water

By Liz McKenzie
Move to widen Sullivan code

BY RICHARD WALKER

NEW YORK — More than 100 American companies met last week to consider setting up a permanent anti-apartheid lobby in South Africa.

It is one of several proposals to extend the Sullivan Code of Conduct for US business in SA, and is being advocated by its formulator, the Rev Leon Sullivan.

An annual progress report reveals the six-year-old code is under stress with the number of US companies committed to it down by 20% to 216.

The 29 deleted from the programme include Revlon, Champion Spark Plug, General Tire, American Airlines, Pan American and Trans World.

Most have been dropped through failure to pay an assessed participation fee, says Mr Arthur D Little, the consulting firm that rates the performances of Sullivan signatories. Of those remaining, 45% are deemed to be making progress and 6% given a failing grade.

Top marks go to Ford, General Motors, Mobil, Exxon and IBM. The rating is based on factors such as immunising the company's reputation against black protests, training black staff, hiring them on equal terms, and donating to black organisations.

Tomorrow, Mr Sullivan will be at Exxon headquarters to meet representatives of those still in the programme.

The big question, says Mr James Rawlings, Union Carbide’s chief of South Africa, is whether we try to make more of a splash by operating collectively, “We’ve come to a kind of crossroads.”

As well as the proposal for joint lobbying, Mr Sullivan is expected to suggest that signatory companies deal only with South African suppliers sympathetic to the code’s principles of equal treatment and opportunity for all workers.

A major point has come from militant trends in Congress against American business in South Africa. Of particular concern is a Bill to ban all new investment and require every US company not only to abide by the Sullivan Code but also to report progress to the State Department.

Though unlikely to become law, the Bill’s approval by the House of Representatives is considered a significant achievement by the company’s foes.

The Bill is a “bureaucratic monstrosity”, impossible to enforce and “probably illegal”, a Ford director, Mr. William Riederick, has protested.
Washington DC move against SA investment

Argus Foreign Service

WASHINGTON. — The Mayor of Washington DC, Mr Marion Barry, has signed a Bill approved by the city council that prevents the city from investing pension funds amounting to $63-million (R74-million) in American corporations that do business in South Africa.

The Bill also requires the city to close its accounts in banks that have current 'loan' transactions with the South African Government.

The legislation now goes before a review committee in the US Congress, where it is expected to run into opposition from congressmen who argue that the measure is unfair to pensioners since it will separate them from some of America's most profitable companies.

Within 30 days

The committee has to review the Bill within 30 days. If it fails to take action in that time, the Bill will automatically become law.

The mayor's action follows the approval of a number of measures in the House of Representatives recently, all designed to put financial pressure on South Africa to drop apartheid.

These include an amendment that bans any new investment of American money in South Africa, a ban on the sale of Krugerrands here and compulsory adherence by American companies in the Republic to the Sullivan code of employment practices.

Symbolic victory

While the House approval represents an important symbolic victory for anti-apartheid congressmen, and lobbyists here, the measures themselves are not expected to get through a joint conference of House members and Senators this session.

However, apartheid is expected to become a major issue again next year, when large numbers of newly registered black voters are likely to focus attention on relations with South Africa.

Last night, the South African Ambassador in Washington, Dr Brand Forte, described the measures as examples of "misguided humanism."
by PATRICIA CHENEY
Washington
AMERICAN companies, which have spearheaded drives to desegregate their South African branches and provide equal pay for equal work, want to improve black education and teacher-training in South Africa.

The proposal marks a new era in US corporate effort to boost the lot of South African blacks.

"While we can't educate the four-million blacks who need educating, we can improve the quality of teaching," said Mr. Daniel Purnell, executive director of the International Council for Equality of Opportunity Principles Incorporated (ICEXP Inc.).

The decision to concentrate an education was made at a meeting of representatives from 100 American companies in New York last week.

Under the leadership of Mr. P. O'Malley, a South African who works for Mobil, the corporations plan to send teachers to South Africa and to run teacher-training workshops.

Principles

In all, 116 American companies, including the Ford Motor Company, General Motors, Union Carbide, Mobil, IBM, Exxon and General Electric, have adopted a code of employment principles featuring the following:

- Non-segregation of races in all eating, comfort and work facilities.
- Equal employment practices for all employees.
- Equal pay for equal work.
- Initiation of, and development of, training programs that will prepare substantial numbers of people of colour for supervisory, administrative, clerical and technical jobs.
- Increasing the number of blacks, coloureds and Indians in management and supervisory positions.
- Improving the quality of employees' lives in areas such as housing, transport, schooling, recreation and health.

In the six years since the principles were instituted by the ICEXP, the signatories maintain they have successfully carried out the first three principles.

"We've come to a kind of crossroads," Mr. James Rawlins, chairman of Union Carbide South Africa, told the New York Times.

The easy issues, like desegregation in the workplace and equal pay for equal work, are pretty much behind us. It's time to refocus our efforts, and figure out how we can be most effective on the harder issues, like education, community development and black entrepreneurship.

The meeting at the New York headquarters of Exxon was also attended by a group of South Africans involved in instituting the principles.

They made up task forces of subjects such as equal pay for equal work, education, management development, health care, housing, black business and entrepreneurship.

To boost black business, signatory companies may be asked to deal only with South African suppliers sympathetic to the principles.

This would have the effect of extending the concept to a broad swathe of South African companies.

The New York meeting also discussed increasing the number of blacks holding supervisory and managerial positions, a delicate subject because it could mean blacks supervising whites.

"Tremendous efforts are already being made to bring about attitude changes, including sensitivity training and human relations courses," said Mr. Purnell.

Over the past year the number of signatories has dropped from 146 to 115, mainly because some companies were unwilling to pay fees providing funding for the auditing of the signatories.

Dropouts

Most of the dropouts were apparently also unwilling to make the necessary commitment to instituting the principles, which became more stringent all the time and included the requirement that companies recognize trade unions.

Auditing requirements, and a rule that companies discuss progress on the principles with their workers, have been recently added to the list.

Legislation recently passed the US House of Representatives to make the principles mandatory for all US companies in the Republic. If approved by the Senate, about 350 companies in South Africa will be involved.
US discussions on operation of Sullivan Principles in SA

NEW YORK — The Rev. Leon Sullivan said representatives of about 100 American corporations in New York this week to discuss the "Sullivan Principles" of fair employment for American companies operating in South Africa, a spokesman said here.

The meeting was closed to the media. Mr. Sullivan, a black Baptist minister from Philadelphia and a member of the board of directors of General Motors Corporation since 1971, espoused his "principles" in 1976 for the guidance of American companies in South Africa.

A spokesman for Mr. Sullivan said the meeting was held to "evaluate where we have been and where we are going". The spokesman said Mr. Daniel Purnell, executive director of Sullivan's International Council for Equality of Opportunity, said Mr. Sullivan urged American companies to:

- Continue expanding programmes to put blacks into management and supervisory positions.
- Provide more black involvement in the decision-making process in programmes for their advancement.
- He also stressed the right of blacks to form unions if the majority of workers want them.

Mr. Purnell said more than 100 companies took part in the meeting and that about half of the 300 or so American companies in South Africa have subscribed to the Sullivan principles.

He stressed that Mr. Sullivan was an early proponent of American disinvestment in South Africa — a recommendation which General Motors did not accept — and that he does not favor any new American investment in South Africa.

"Our position," Mr. Purnell said, is that "as long as the companies are there, they should be doing something constructive".

"They should make more use of their influence to improve things in South Africa." — Sapa-AP
Ford SA has unique plant safety record

FORD (SOUTH AFRICA) has achieved a unique position in the realms of plant safety in the country and is probably a leader worldwide.

This is the judgment of Mr Bunny Matthysen, general manager of the National Occupation Safety Association, after the announcement that five Ford plants in Port Elizabeth had been re-awarded five-star safety ratings and two re-awarded four-star ratings.

"There are 30,000 factories in South Africa and of these 150 to 180 receive five-star ratings after we've carried out 8,000 audits and inspections a year," said Mr Matthysen.

"For a company to be awarded a single five-star rating is an achievement to be proud of, but for Ford to have five plants each with these ratings places it in a unique position in South Africa.

"There is no other company with a multi-plant complex that measures up to this standard.

"And that is not all. On top of this, Ford holds 22 Noscars — the supreme accolade of safety achievement — adding to its unrivalled standards and record."

The plants whose five-star gradings have been renewed are:

- Truck plant (now in contention for a Noscar).
- Engine plant (which has won Noscars for 10 consecutive years).
- Struandael assembly plant (winner of four Noscars).
- Neave assembly plant (winner of eight Noscars).
- Product development.

Four-star re-awards were made to parts and accessories at Struandael, which has been recommended for upgrading to five stars, and education and training.

Mr Matthysen explained that to win a five-star rating a plant or factory had to achieve 91% or more in meeting Nosca's exacting standards, to achieve a Noscar, a 95% plus rating had to be gained.

He added that South Africa, through Nosca, was a worldwide leader in auditing and inspecting plants and factories on the basis of start ratings.

"We introduced this system in 1960 and, because of its success and the positive results achieved, it has been adopted in some parts of the United States.

"Australia will be introducing a system modelled on ours early next year.

"That places Nosca, and companies like Ford, with long associations with it, to the forefront in the world."

Mr Matthysen said that the Nosca programme worked on a management-by-objectives basis, coupled with a system through which everyone in a company was made fully aware of the needs for safety.

"Each company is evaluated against itself — we inspect the factory and see what it manufactures or what is stored in it and set the objectives, against which it is measured."

"We also take into consideration the frequency of accidents, and one measure of the success of the Nosca programme is that the national average has been reduced from 4% in the 1950s to 1.8% now.

"Ford's frequency is below even this figure, which is among the lowest in the world."

""
Horwood attacks US Bill’s anti-SA clause

By JOHN MULCAHY

THE US Senate’s agreement on the wording of an anti-South African clause attached to a Bill approved by Congress has drawn sharp criticism from Mr Owen Horwood, the Minister of Finance.

Describing the clause as “clumsy and rambling”, Mr Horwood said it was regrettable and ironic that the Senate found it necessary to include this clause at a time when SA had done so much to remove constraints on labour and capital mobility.

Congress on Friday night gave final approval to the long-delayed $4.4bn Bill for supplemental US financing of the International Monetary Fund to help it rescue financially-troubled nations.

Attached to the Bill was a clause instructing the US executive director at the IMF to oppose any request from “a country that practises apartheid” for IMF aid unless the Secretary to the Treasury certified that the credit would:

- Reduce the severe constraints on labour and capital mobility;
- Reduce other highly inefficient labour and capital supply rigidities;
- Benefit economically the majority of the people of any country which practises apartheid.

The House of Representatives gave the measure, which had been held up since August, its final approval on a 226-186 vote.

The Senate approved it 67-30.

The measure now goes for signature to President Reagan, who has been urgently seeking the IMF financing measure along with the other members of the 746-nation global assistance agency.

The IMF funds were lumped in a multi-billion-dollar Bill that included domestic low income housing programmes and funding for the US Export-Import Bank, which assists US exporters.

Mr Horwood said in a statement at the weekend that labour in SA was working under far fewer restraints than ever before, and a Small Business Development Corporation was estab-
US finds rich rewards in SA investments

A SURVEY by the State Department of offshore US capital investment over a five-year period showed that in both manufacturing and mining, investments in South Africa substantially outperformed those in all other parts of the world.

This was disclosed by the Minister of Finance, Mr Owen Horwood, at the annual dinner of the Cape Town Graduate School of Business Administration in Johannesburg yesterday.

In the manufacturing sector, the return on investment in South Africa was 18%, compared with an average of 12.6% elsewhere. And in the mining sector, the respective figures were 26% and 13.7%.

South Africa's credit rating continued to draw "an embarrassing volume" of loan offers from leading international banks.

"The acid test of a country's investment climate is the willingness of overseas investors to participate in public bond issues. Our advice from leading bankers is to arrange for sterling bond issues in the United Kingdom, Germany and the US."

Referring to South Africa's IMF loan applications, now subject to US congressional approval, Mr Horwood said senior bankers had told him it would be the beginning of the end of the IMF if political considerations interfered with the evaluation of applications.

A single major default by a bank or a national economy would send the gold price soaring. At the same time, a resurgence of Western economies would also result in an improved gold price owing to increased industrial demand for the metal. — Sapa.
Spotlight on US firms

UNITED States companies in South Africa came under heavy fire this week - for their lack of effective black management training following Sullivan Code findings that a number of them no longer support the code.

The annual progress report of the Sullivan Code reveals the 20 percent of companies have abandoned it over the last six years.

Those out of the programme now include Revlon, Champion Spark Plug, General Tyre, Pan American and Trans World Airlines.

"There is very limited commitment from these companies in their training of black management - at least there's no commitment visible," said Martin Sebesho, president of the Black Management Forum.

Mr Sebesho has become the latest addition to the growing number of voices critical to these US companies - criticism which surfaced recently in the influential New York Times and the US Congress with calls to ban all new investment.

Also to require every US company in SA not only to abide by the code but also to report progress to the US State Department.

But in a wide-ranging examination of the effects of the code, which aims to raise opportunities for black workers employed by US companies in South Africa,

Sullivan Code drop-outs slated

By ZB MOLEFE

the New York Times concede that thorough application of the code had led to many gains for black workers in managerial ranks.

But the newspaper also pointed out that most of these companies knew that their biggest challenge lay in the need to move blacks into managerial ranks: inferior education, the lack of business culture among blacks, resistance among whites and the fear of senior blacks that they will be labelled as sellouts by their colleagues," said the newspaper.

Mr Sebesho did not hide his disappointment at whites who claimed there were no black candidates for managerial jobs in these companies: "We have a lot of people with potential who are unemployed at the moment."

He also pointed out that those blacks with managerial potential were faced with a multi-faceted problem.

"You are never given political power but you usurp it. With economic power you have to gain it. We have to look at a number of strategies," he continued.

This brought Mr Sebesho to the oft-repeated accusation that black managers were used as buffers against the country's masses in their struggle for liberation.

"Yes we are going to be buffers. But in this case we are spying on the enemy."

ONCE blacks become aware of their oppression and exploitation by whites, they will develop a black consciousness which eventually leads to black nationalism.

"This is the point we have now reached in South Africa. One does not need communism as an explanation of what is happening at the moment," declares Swaziland's Head of the 'Black man, you are STILL on your own . . .

ZB MOLEFE reviews a new book on apartheid
Citibank finds its comfortable

BY SERVICING NATIONALS

Mr. Tim Wood

The higher interest rates for non-American

There are other banks that are better suited to

The Federal Reserve System, through its

This is why the American operation of public

The economic situation is such that the

The public's confidence in American banks

The problem of liquidity in the United

The way to handle the fluctuations and the

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United

The public's confidence in American banks

The problem of liquidity in the United
Pressure mounts against firms operating in SA

By JACQUELINE FRANK in Washington

A MOVEMENT among US cities and states aimed at putting economic pressure on South Africa to end its racial policies appears to be gaining momentum.

More than 20 local governments are now threatening to pull pension and other investment funds out of US firms operating in South Africa because of the Nationalist Government's discriminatory laws.

The campaign runs counter to the Reagan Administration's policy of working with South Africa to achieve gradual change.

In the past two years three large northern states — Massachusetts, Connecticut and Michigan — have passed laws to bring about the withdrawal of some $300 million dollars (about R350 million) in funds invested in US companies doing business in South Africa.

Eight cities, including Philadelphia and Atlanta, have approved similar sanctions.

Next year at least four more states are expected to pass laws on investment in businesses involved in South Africa, and the issue will be debated in another 16 states and 10 cities, including New York and Dallas.

The boycott is aimed at the 350 US firms active in South Africa. These include some of the largest American companies such as Ford, IBM, General Motors, Mobil and Dow Chemicals.

If approved by such populous areas as New York City and California, pension funds totalling more than $5 billion (about R58 billion) would be affected.

State officials say the movement wants to send a message to Pretoria that the recent constitutional proposals giving a limited political role to Indians and coloureds, but not to South Africa's 70% black majority, do not go far enough.

Connecticut's assistant investment officer, Barbara Reid, said that full civil rights for black South Africans are not expected to follow directly from one state's boycott action.

"There is no question that it is symbolic. The securities we sell could certainly be picked up by others," she said.

Connecticut sold shares in 12 companies dealing with South Africa at a profit of $7.7 million dollars (R65 million).

Some investment counsellors argue that the sanctions will limit possible profits and create more risks for pension funds.

Proponents of the anti-apartheid measures argue that US companies have some power to influence the South African Government and are in effect intervening with Pretoria by selling products such as computers, oil, cars and trucks which the Government uses to enforce apartheid.

The potential cost in public relations and loss of capital has begun to worry some companies, who have joined forces to oppose the state and city proposals.

The director of Ford's international government affairs division, William Broderick, said that US companies have been a major force for improving conditions for South Africa's black workers.

In an interview, he agreed with those who say change is slow in South Africa. "But they do not address how change will come any faster if all American companies leave," he said.

Black South Africans would have far fewer opportunities for job advancement, education and improved housing and services if US companies leave, he said.

He also pointed out that American companies adhere to the Sullivan Code on labour practices and were in the forefront of applying pressure for more labour reforms. — Sapa-Reuters
Economists clash on SA disinvestment

The Star Bureau

WASHINGTON — A black economics professor and the white president of the United States Chamber of Commerce stoutly defended US investment in South Africa in a nationally screened debate yesterday against a black political lobbyist and a white congressman.

Clashing on a programme televised over the major ABC network were Dr Walter Williams, professor of economics at George Mason University; Dr Richard Lesher, president of the national chamber of commerce; Mr Randall Robinson, executive director of the black political lobbying organisation, Trans Africa; and congressman Mr Stephen Solarz, who has sponsored anti-South African legislation in the House.

Professor Williams argued that "economic growth is one of the strongest tools against racism in the world". Forcing US investment out of South Africa would hamper economic growth in that country and impede the fight against apartheid.

Arguing that human progress was speeded by economic progress, Dr Lesher said economic advancement in South Africa was tied to trade with the United States.

"American business is the most powerful force for change that South Africa has seen," he said.

Mr Solarz, whose legislation has been approved by the House of Representatives, said it would send a powerful message to South Africa that the US would not continue to do "business as usual" as long as blacks in the South Africa were denied fundamental human rights.

He said that his legislation was not intended to force existing US business out of South Africa. It would enforce penalties against US firms in South Africa that failed to comply with the Sullivan Code of fair employment practices.

It would also bar US bank loans to South Africa and ban the importing of Krugerrands.

Mr Robinson said that if the countries investing in South Africa would act collectively under US leadership to force withdrawal of their $27 000 million dollar investment through mandatory United Nations sanctions "we could cripple that economy and that government".

Professor Williams said he considered apartheid "despicable" but it could not be denied that conditions for blacks in South Africa had improved substantially. Their living standard was now one of the highest in Africa.

In South Africa there had been nothing as bad as what had happened in Uganda, Biafra or Ethiopia, he said.

Leading blacks such as Chief Gatsha Buthelezi, trade unionist Lucy Muvhango and former newspaper editor Percy Qoboza were opposed to disinvestment, said the professor.

Professor Williams accused Mr Solarz and Mr Robinson of favouring "totalitarian and fascist-like measures" such as those they accused the Pretoria Government of pursuing.

Dr Lesher said disinvestment would be "the single worst thing that could happen to South Africa. It would cause the economy to collapse and take human rights back 100 years".

Challenging the professor's assertion about Chief Buthelezi, Mr Robinson said that the chief was "on South Africa's payroll" and it couldn't be expected that he would favour disinvestment.

He claimed that "by any measure blacks are doing worse in South Africa than they have ever done".

Mr Solarz said that he did not expect his legislation to be approved by the Senate but he thought there was a good chance of getting some of it adopted in a House-Senate conference.

Work stoppage by 700 at Ford set to continue

By CLAIRE PICKARD-CAMBRIDGE

NEARLY 700 workers — about 200 more than yesterday — stayed away from work at Ford’s Struandale plant today. They plan to return tomorrow only to collect their pay before the annual shutdown.

The workers downed tools when management informed them that an employee in the main-line section had been suspended for five days because “his work was behind schedule.”

A shop steward at the plant, who did not wish to be named, said only a few workers returned today.

“The number who had left the paint shop, body shop, trim, chassis and main line sections had swelled from about 500 yesterday to nearly 700 today, he said.

Official dispute procedures had not been invoked because workers had been waiting on management for a decision about the National Automobile and Allied Workers’ Union (Naawu) worker who had been fired. Management yesterday decided to suspend him instead.

He said workers involved in the stoppage would meet tomorrow to collect their pay packets at 10am because that was when the suspended man had been told to turn up for his pay.

“But workers do not intend to do any work tomorrow,” he said.

“They will be meeting again at the Holy Spirit Church Hall in KwaZakhele on January 7 to discuss the situation before the plant re-opens on January 9.”

He said he hoped the 18-man workers’ committee would be able to meet with management to discuss the situation when the plant re-opened.

He reiterated that yesterday’s work stoppage and worker stay-away had not been initiated by Naawu or the Motor and Allied Component Workers’ Union of South Africa (Macwusa), but had resulted from a general dissatisfaction on the part of all workers.

“It had been a grass-roots decision by sympathetic workers.”

The director of industrial relations at Ford, Mr. Fred Ferreira, could not be reached for comment.
Striking workers take leave

PORT ELIZABETH — Striking workers at Ford's Struandale assembly plant collected their outstanding pay after 10am yesterday and took their annual holiday, which ends on January 8 next year.

The workers, belonging to the National Automobile and Allied Workers' Union (Naawu) and Motor Assemblers' and Component Workers' Union of South Africa (Macwusa), and said to number between 700 and 800, had been off work since Tuesday morning in sympathy with a suspended worker.

'No incidents'

According to Mr Den Neer, Macwusa's general secretary, no incidents were reported. However, it could not be established if the workers had received their full outstanding pay, holiday pay and bonuses.

Ford's industrial relations director, Mr Fred Ferreira, and other senior management personnel were not available for comment yesterday afternoon.

Mr Neer said the workers would meet at an open meeting on January 7, two days before the factory resumed production for the new year.

The two unions were not involved in the work stoppage, as workers felt it was purely a worker issue, he said.

The issue arose on Thursday last week when management asked workers on the Sierra production line to start work an hour earlier the next day, reportedly to catch up on the Sierra's backlog. The workers refused to do so.

'Suspended'

Later, a Naawu member was dismissed. According to worker representatives, the company had claimed his work was behind schedule. Workers downed tools for two hours, demanding that management review their colleague's case and give a deadline of 10am on Tuesday.

Management's reply was that the worker had only been suspended for five days, effective from Friday. Workers refused to accept this explanation and walked off their jobs.

After a meeting on Tuesday afternoon, they decided they would return to work at 10am yesterday, but only to collect their wages, holiday pay and year-end bonuses. It was the same time the suspended worker had been told to collect his.

Yesterday afternoon, Mr Philidie Kalam, Ford's public affairs manager, said that yesterday was also the start of the annual shutdown for the company's other plants and for administrative staff.

Seven people were injured in a bomb blast in the Joho third blast in just over a week. Some of the injured were Piet Tlou, George Lekgwathe, Mrs C

Fate of MNR in balance say sources

LISBON — The future of the South African-backed rebel movement in Mozambique — Renamo — appears to be in the balance following preliminary moves to reach a security agreement between Lusaka and Maputo. Portuguese sources believe.

Renamo, the Portuguese acronym for the Mozambican National Resistance movement, has been responsible for constant and spectacular sabotage in Mozambique since 1977, and is widely held to be used by Pretoria for putting pressure on Maputo.

It has repeatedly sabotaged powerlines carrying electricity to South Africa from the Portuguese-run Cahora Bassa hydro-electric project, causing huge financial losses to Portugal and keeping prices artificially low.

Low profile

Following the visit to Lisbon last month by the South African Foreign Minister, Mr Pik Botha, the Portuguese have been active in working for a summit meeting between Mozambique's President, Mr Samora Machel, and the South African Prime Minister, Mr P W Botha, at which a 'mutual security agreement' is likely to be discussed.

---

MR BIG MAN

We have trousers, shirts, suits, sports jackets, sweaters, Bekker tops, shoes, jeans and informal wear.

Some up to size 117cm in most lines. Top trade names at reasonable prices.

ANDY'S

MAN'S SHOP

282/4 Victoria Road, Woodstock. Phone 47-4313

GET A GOOD CAMERA DEAL THEN COME TO
General Motors boss

Mail Correspondent
PORT ELIZABETH. — A statement made on SABC TV's "News Focus" on Thursday night has been described as "a total fabrication" by the assistant managing director of General Motors, Mr Rod Ironsides.

Mr Ironsides said yesterday that he wanted to "put straight" a statement made by a member of a panel during a discussion on American disinvestment, which implied that there was an agreement between General Motors and the SA Government.

He said the panelist's statement was a "blatant untruth".

"It was a fabrication hatched up in the United States by an anti-South African church group a few years ago and is devoid of any truth whatsoever," he said.

The statement was denied at the time by GM in the US.
FOREIGN FIRMS IN G. A.-U.S.A
1984
JANUARY - DEC.
An early morning Bible discussion reflected in the water of the placid coastal lake.

Adventure camp leader DAVE BEES roadway DU RANDT & helper's hands as he tosses life rafts across the river.

Their team flag high, LITTLE KING OLIVER and CLIVE DU RANDT hold the ropes of their small catamaran as they glide across the placid coastal lake.

The camp is off to a great start, POST-GENERAL MOTORS EVENING POST REPORT.

(Numbers 62, 64, 69)
Ex-Sage man at Harvard warns

Tide turns against SA in America

THE tide of political opinion in the United States is turning against South Africa and the movement to divest is gathering momentum.

This warning comes from Robert Conway, a former Sage general manager and a parliamentary candidate who is now conducting a series of seminars and workshops at Harvard University.

Mr. Conway, who is attached to the Harvard Centre for International Affairs and Harvard's influential Kennedy School of Government, says South Africans who think they have an unshakeable ally in President Reagan are misguided.

It is also a mistake to take the recent lack of political pressure from the US for granted.

He maintains that if the Reagan administration perceives that the carrots it has proffered to SA, to effect change, have not worked, it might well turn to the stick — especially if public opinion turns against SA in an election year.

Mr. Conway says many white Americans have voted for black politicians in state and mayoral elections. This new trend does not bode well for SA. Nor does the burgeoning popularity of presidential candidate the Rev Jesse Jackson, a heated critic of SA.

Even if Mr. Jackson did not unseat President Reagan, he could influence him to take a harder line on SA.

Mr. Conway maintains that more states are likely to follow the example of the Massachusetts state pension fund in selling all shares of companies represented in South Africa.

He is concerned that academics, church groups, some businessmen, and non-radicals are behind the pressure.

He reasons there is a reasonable possibility that the Solarz and Berkshire amendments to the Export Administration Act will become law. The Solarz amendment would compel firms operating in South Africa to comply with the Sullivan fair employment principles, and would prohibit Krugerrand sales and commercial bank loans to SA.

The Berkshire amendment seeks to ban the sale of any goods or services to the SA military or police and other government agencies.

Mr. Conway says the most recent US infusion of billions of dollars into the International Monetary Fund came with the proviso that all future IMF loans to SA had to be certified as being for good purposes by the Treasury Secretary. This, he says, could be just a first step.

He believes that if the problem is left unattended, first loans and then new equity investment might be affected. Eventually, US companies might yield to pressure from shareholders and pull out of SA. This could injure SA's economy, cost thousands of jobs and set the country back technologically.

Mr. Conway, who has just visited the European Parliament and NATO with his Harvard colleagues, is convinced that if the US leads in ostracizing SA, other nations will follow.

Already, the European Parliament has expressed dissatisfaction with the implementation of its codes of conduct for European companies in SA.

"What is worrying is that little is being done to turn this hostile tide. Even if one disagrees with SA's policies, there are many arguments in favor of this country — and at the moment they are not getting a hearing."

"Nobody is convening the American public. South Africa's side of the argument. Americans are not being told about the complexity of the situation. We are not providing the many potential friends we could have in the US with the facts they need to reply to our critics."

"In addition, there are politicians in the US who are using our situation for their own ends and nobody is taking them to task."

"What is desperately needed is an independent, foreign advisory committee, reporting directly to the prime minister. It should be a non-political, non-partisan, non-racial body. It should be made up of first-rate communicators and negotiators spanning the globe."

"Our embassies are not enough because they represent the official government line. The SA Foundation is doing a courageous job, but it is too thin on the ground and is seen incorrectly by many foreigners as an arm of government."

"It's time now for SA to stop being so defensive in its international relations and to use competent people to put its case fairly and justly. We cannot simply ignore the rest of the world."
Otis and Airco seem ripe for a merger

By JOHN MULCAHY

DEVELOPMENTS at Metail Investments, one of which is the sale to Wesco of a 25,1% interest in Airco Engineering, has prompted suggestions of a rationalisation within United Technologies' SA interests.

United Technologies, one of the biggest US multinationals, is the ultimate holding company of Airco and Otis Elevators so a logical rationalisation would seem to be a merger of the two companies.

A closer link does not seem to be under immediate consideration, however, and Otis managing director, Mr Elton Moller, points out that there is already a high degree of co-operation between the two associates.

Mr Moller is also a director of Airco and the two companies share intelligence on such areas as marketing.

Mr Fred Nash, managing director of Airco, said there was an important obstacle in the way of a closer alliance between Otis and Airco — the SA minority shareholding in each would complicate a merger.

There were advantages in having local shareholders and United Technologies would be unlikely to change this.

Up to March last year Airco was a 74,9% subsidiary of Metail but Carrier Corporation then increased its holding in Airco to 74,9%, at a cost of R1,25m, leaving Metail with the remaining 25,1%.

As Metail is now well on its way to becoming a motor components manufacturer, it was decided to switch the Airco stake into Wesco.

Wesco has given no hint of a willingness to dispose of the Airco stake but, with its interest in the future likely to be concentrated mainly on the motor sector, Airco will increasingly become an enigma in the Wesco profile.

Wesco will be needing all of its resources to apply to the expansion of Metail and a sale of the Airco stake — at last March's value the 25,1% would be worth about R600 000 — would simply add to Wesco's available cash resources.

By acquiring the remaining 25,1% in Airco, Carrier Corporation would then create the environment for a merger between Airco and Otis in SA.

Otis is a 76% subsidiary of Otis US, while Otis US and Carrier Corporation are subsidiaries of United Technologies.

Mr Moller agreed there were areas where Otis and Airco could rationalise their operations in SA.

In the US, and to a lesser extent in SA, the trend in new-building technology was towards a complete package, incorporating elevators, air-conditioning and security, all linked to a central control system.

Co-operation between Airco and Otis in SA is at board level, as Mr Moller is a director of Airco.
Ford retrenches
union upset

Argus Bureau

FORT ELIZABETH - Nearly 500 workers have been laid off by the Ford Motor Company following retrenchments by the Sigma Corporation in Johannesburg yesterday.

Ford's director of public relations, Mr Fred Perreira, said in a statement today that the company saw no prospect of the present depressed market for car sales improving in 1985.

As a result, 490 hourly-paid Ford workers had been retrenched and would be paid off today.

**FEWER CARS**

He said Ford anticipated building fewer cars this year than it did last year and felt it would not economically work fewer hours instead of laying off staff.

However, the general secretary of the powerful National Automobile and Allied Workers' Union (Naawu), Mr. Freddie Sauls, said his union was unhappy with the way Ford had effected the retrenchments.

"We received only one day's notice of the layoffs and have had no opportunity to consult our members on any possible action," he said.

**DEPARTURE**

"This is a complete departure from normal practice at Ford, where in the past we have sat down with management and tried to find solutions to any problems they foresaw."

"It appears that Ford has adopted a new strategy with respect to industrial actions which may be better designed to out-maneuver the unions but is definitely a turn for the worse in industrial relations practice at Ford."

Mr. Sauls said the next general meeting of the union was scheduled for next Thursday. He thought the layoffs had been timed to catch workers off guard and short of funds after the Christmas recess, and he did not expect any industrial action.

Spokesmen for the other major vehicle manufacturers in the area, General Motors and Volkswagen, said they did not anticipate any layoffs in the immediate future."
Ford lay-offs bring new model plant to standstill

By PHILIP VAN NIEKERK

THE Ford Sierra plant in Port Elizabeth was closed down early yesterday after hundreds of workers downed tools in protest against the retrenchment of 490 colleagues.

A company statement from Port Elizabeth said the retrenchments had been decided on because vehicle markets, which were quiet in 1982, were expected to remain at low levels in 1984.

The retrenchments follow close on the heels of the laying off of 850 workers by auto manufacturers Sigma in Pretoria on Thursday.

However, officials of both the National Automobile and Allied Workers' Union (NAAWU) and the Motor Assembly and Components Workers' Union (MACWUSA) accused the company of using the retrenchments to weaken the unions.

A few hundred workers in several sections at the Sierra plant, formerly the Cortina plant, stopped work in protest against the retrenchments, after which the company closed the plant and laid off the entire workforce of 1,500 early.

Mr Fred Ferreira, the company's industrial relations director, said Ford had made no reductions in personnel in 1982, despite difficult market conditions.

Replying to the union allegations, Mr Ferreira said: "We have considered a number of alternatives in order to prevent the retrenchment, including working extended short time at the end of last year. We have now reached the point where we can no longer absorb these penalties."

Mr Ferreira said unions had been advised of the move and had confirmed that retrenched workers would be given preference when positions become vacant.

This was denied by Mr Fred Sauls, NAAWU's general secretary, in response to Mr Ferreira's assertions. Mr Sauls said the union had been advised of the impending retrenchments at the last moment.

He said the union had been told there was no possibility of deferring them until the union had been able to report back to their members.

Both Mr Sauls and Mr Denis Nair, general secretary of MACWUSA, said the retrenchments had come soon after a strike by about 1,500 workers at the Sierra plant in December.

They claimed that by the current retrenchments the company was "hitting back" at the unions.

The last time Ford retrenched workers was in August 1982. At that time there were widespread strikes in the Port Elizabeth motor industry.

Mr Nair said: "Ford has a new approach as far as communication with the workers is concerned. In the past it was agreed that if there were retrenchments pending we should be informed but now they spring this on us at the last moment."
Diaspora: a US election issue?
THE National Union of Mineworkers (Num) is to take the Bophuthatswana Government and an American-owned mine to the Supreme Court.

This is a result of the decision by the Government and the Union Carbide Company, which owns the Ucar Minerals, to stop the union from continuing its activities in the territory where about 450 workers went on strike yesterday.

This was disclosed to The SOWETAN yesterday by the union's general secretary, Mr Cyril Ramaphosa, who said that the workers at Ucar Minerals near Brits, Bophuthatswana, went on strike over wages.

This is the second time that the miners have gone on strike this week after a deadlock was reached over several demands, including wages. On Monday they held a two-hour stoppage following news that their union was banned in the "independent state."

The spokesman for Union Carbide said that the strikers had earlier appointed a committee to deal with their grievances, including wages.

The company was also trying to negotiate with the government and the union to break the impasse following an earlier directive from the government for them not to have dealings with the union.
NUM, which has been advised that its activities in Bophuthatswana are "cruel and illegal," has been threatened with penalties if it were to recognize an outlawed strike. NUM's General Secretary, Mr. Joseph Tuli, has demanded that the outlawed strike be stopped immediately, and that all union activities in Bophuthatswana be suspended. The Bophuthatswana government has refused to comply with these demands, and has threatened to impose severe penalties on any union that continues to support the strike. As a result, the strike has continued, with thousands of workers refusing to work in the region's mines and industries. The situation is expected to escalate further, with the government and unions on the brink of a full-scale confrontation.
SULLIVAN ADMITS FAILURE

FROM SWN MADE IN WEST GERMANY

THE REE SEWING CO-OP not working

THE NEWS SEWING CO-OP not working

The world's largest producer of textile products, the Robert Spiegel Corporation, has announced that it will be closing its operations in West Germany. The company, which has been in operation for over 50 years, has struggled to compete with lower-cost producers in Asia and Latin America. The closure will affect thousands of workers in the region, who have been told that their jobs are at risk.

The decision to close the plant was made after a thorough review of the company's financial position. The company has been experiencing declining sales and profitability, and has struggled to keep pace with the demands of the modern market. The closure will result in significant layoffs, and the company has promised to provide assistance to affected workers.

The move is likely to be met with resistance from local officials and labor leaders, who have long struggled to keep the factory open. The company has promised to work with local officials to ensure a smooth transition for affected workers. The closure is expected to have a significant impact on the local economy, and will likely be a blow to the region's reputation as a center of manufacturing.

The company has promised to work with local officials to ensure a smooth transition for affected workers. The closure is expected to have a significant impact on the local economy, and will likely be a blow to the region's reputation as a center of manufacturing.
By LOUIS BECKERLING
Business Editor

FORD management would adopt a strictly business approach to importing fully-assembled vehicles into South Africa should its situation demand such a strategy, according to the company's international chief executive.

In Port Elizabeth for "an in-depth review of Ford's operations in South Africa", Mr Philip Caldwell, chairman of Ford's board of directors and chief executive officer, made this observation during a press conference yesterday.

During the course of a wide-ranging series of questions in the boardroom of the Ford (SA) headquarters in Albany Road, Mr Caldwell also defended the retrenchment of workers — whether in the United States or in South Africa — as "a pragmatic business principle".

"The only thing that counts at the end of the day is the sound and profitable company and the only way in which a company can continue remaining sound and profitable is to deal with the realities with which it is confronted..." Government may, but private companies simply cannot provide jobs when there's no market demand for their product," said Mr Caldwell.

His visit follows days after a similar fact-finding and familiarisation tour of South Africa by the president and vice-president in the United States of the separately administered Ford Motor Credit Company Company.

Introduced by Ford (SA) managing director Mr Brian Pitt, Mr Caldwell began the conference in the presence of several international and local directors — and a camera crew from SATV — with a brief statement of his impressions of the Ford (SA) operation.

"I was last here for a complete review 10 years ago and I have come to listen and see and learn of the opportunities, hopes and aspirations of Ford of South Africa," said Mr Caldwell.

Observing that the South African division (wholly owned by Ford of Canada, which in turn is 89% owned by Ford in the US), was "the largest vehicle producer in the company operating outside of the US or Canada", Mr Caldwell said the parent company was "speculatively proud of the fact that Ford (SA) has produced two of its own products — the Ford 1-tonner and the Bantam".

"And another fact which has impressed me is that it's no overstatement in any way to say that Ford (SA) is making the highest-quality products of any manufacturer in South Africa — as is the documented case in the US."

"I am pleased that the quality goal is on top of the list in South Africa..." Mr Caldwell said Ford's strategy was a simple one: to manufacture high-technology products offering the latest modernity and value for money.

This strategy had ensured that "our pipeline has more new products in it yet to come than we have ever had before and our planning horizon is now 10 years ahead".

Questioned after his statement on Ford's attitude to local content regulations, Mr Caldwell said sovereign countries had a right to their own rules.

"We have followed the path of respecting whatever these rules are and operate under varying conditions — in some cases local content requirements of up to 90%.

"If we were living in a perfect world I think we'd all be best off with a minimum of restrictions, but the realities are that we don't live in such a world and I respect the pragmatism of the Government..."

"We have to decide whether we have to make a contribution under the ground rules and if we cannot, of course we don't need to compete." However, management would regard the payment of penalties incurred in order to import fully-assembled vehicles as a "purely economic consideration and such a decision would be taken on a business basis".
Big leap towards disinvestment in SA

The Star Bureau

NEW YORK — In an important victory for supporters of disinvestment in South Africa, a congressional sub-committee yesterday endorsed the decision by America's capital city to withdraw its investments from US companies doing business in South Africa.

But Americans were warned that they stood to lose hundreds of billions of dollars in a Press statement by Mr John Chettle, Washington director of the South Africa Foundation.

The endorsement of the decision by the District of Columbia Council (the City of Washington) came after the issue of disinvestment in South Africa was debated under the glare of TV lights in a packed congressional committee room.

It came in the form of a 6-2 vote against a resolution by Republican Congressman Phil Crane calling on the House to veto the council's disinvestment decision.

The sub-committee rejected arguments that disinvestment would harm blacks in South Africa and Washington municipal pensioners and that the council had no legal power to take the decision.

The issue is expected to go the full committee next week and sources said it would probably endorse the decision.

That would be the end of the matter — unless Mr Crane can get it sent to the floor of the House or the legality of the council's decision is challenged in the courts by pensioners or banks.

Mr Crane argued that the council's action would cost Americans and South Africans jobs and would take away one of the major instruments for social change in South Africa — without resulting in meaningful change in apartheid.

Mr Chettle said at a Press conference yesterday that a major study for the Washington DC Retirement Board had been done by Mr David Eager, senior analyst for the Investment Analysis Company of Melding, Inc.

Mr Eager had found that a state like Ohio, which had a pension fund of R23 billion, could lose R120 billion over the next 30 years.

Mr Chettle said questionnaires had been sent to 55 American investment managers, retirement plan sponsors, and other experts. Only one had said restriction would not hurt investment performance.

Legislation to force state pension funds and universities to divest has been introduced in 23 US states.

The New York Times yesterday described the proposed new Parliament as "a forum for apartheid: three races, three rooms". Pretoria's view that the new body would "reflect South Africa's political complexities" was as flawed as the previous claim that South Africa's parliamentary system was based on the Westminster model.

The Times says there is now a real fear among White opposition leaders that their voice of dissent could become "little more than a whisper".

February 1 1984
CHIEF PRAISES MOTOR GIANT

African Affairs Correspondent

The Chief Minister of KwaZulu, Chief Gatsha Buthelezi, has told the chairman of the Ford Motor Company, Mr. P. Caldwell, that his company had the courage to 'act out of its convictions' in labour matters before being 'pressurised' to accept trade unions.

Chief Buthelezi met Mr. Caldwell and several international and South African directors of the giant United States company at Ulundi.

The Chief Minister said Ford had recognised black trade unions before it was 'the accepted thing' to do in South Africa.

He said trade unionism was 'vitally important' to the goals of liberation.

'But trade unionism loses its very particular value when it is regarded as the sole, or perhaps even the dominant vehicle of liberation.'

He urged Western industrialists to support organisations with a constructive and 'multi-strategy approach'.
DURBAN
Liquor war truce?

Bad news for consumers, perhaps, but Durban bottle store-owners are attempting to cool the liquor price war which has dogged the city's retail trade for the past 10 years.

The Hotel and Bottle Store Association (HBSTA) Durban and District last week recommended that members refrain from advertising prices as a first step towards reducing "suicidal price cutting."

The association fears the latest round of price increases from the KWV could cause the price war, dormant since before Christmas, to flare up again. Wholesale prices have risen 3%-16% and retailers, who are already operating on slim margins, say they will be passed on.

Reg Boik, head of the association's liquor committee, says: "We cannot force members to stop advertising, but, in the interests of the industry, we sure hope they desist."

HBSTA Director Tony Lack believes the Durban liquor market is over-traded. In addition, he says business is seasonal with good turnovers recorded only four months of the year. "Central retailers market aggressively to draw customers from the suburbs, and fringe retailers counter with further price cuts to keep them. It's a ridiculous situation. In the end they finish up selling at cost."

According to Boik, Durban liquor retailers' margins are traditionally lower than elsewhere. The average mark-up on cost is 8%-11% whereas in the Transvaal it is 16%-21%. Consequently, a litre bottle of proprietary brandy sells for R3,81—roughly the same price a 750ml bottle retails for in Johannesburg.

"What we need," says Boik, "is an end to price cutting and a stronger association to help us maintain a more realistic mark-up."

MOTOR INDUSTRY
Tough talking

Following the lay-off last month of 390 Ford SA workers, US parent company chief executive Philip Caldwell did some tough talking during his visit to Port Elizabeth this week.

"A private company simply cannot provide jobs when no useful market demand exists for their product," he said. "When the business isn't there, the jobs aren't there and you shouldn't consider this harsh."

"The only thing that counts at the end of the day is a sound and profitable company, and the only way in which a company can remain sound and profitable is to deal with the realities with which it is confronted. In 1979, we had to cut back considerably in the US because demand wasn't there."
On the subject of local content, Caldwell was equally pragmatic. While Ford would respect the right of a sovereign country to make its own rules and would operate within those rules, should corporate strategy demand it, mass importation of fully assembled vehicles would be considered on its business merits.

This suggests that Ford may well take advantage of the recent scrapping of import control on new cars.

It appears that Ford has not been afflicted by the recent rash of disinvestments. Ford SA is wholly owned by Ford of Canada, which, in turn, is 89% held by Ford of the US. And judging by Caldwell’s remarks this week, there’s no intention of changing.

“Our general practice is to own 100% of our divisions — though we are pragmatic about it,” he says. “To my knowledge, we have not had an approach to sell our SA operation and I suppose we would simply have to think about it. But it’s not something that would make me want to jump out of the window.”

Beltel’s news system is expected to go live in June next year. Meanwhile, Sapo will expand its existing system and start charging for the service which has been free up to now. Rates are still being decided.

The upgrade will include a “gateway” (a way of allowing third party computers to link into the service) based on the X.25 packet switching protocol used for much of the country’s data communications traffic. In theory, this will allow an infinite number of users access and messages facilities over Beltel. This should be available in June.

Currently, there are 75 main information providers (IPs) and 28 sub-IPs with another 35 on the waiting list. Viljoen estimates there are about 19,000 pages of “live” information on the system at present and some 690 registered users.

Key to the eventual success of Beltel is the number of terminals in the field. So far, seven companies have been licensed to provide terminals and a further increase is expected when the television manufacturers adapt their TV sets for Beltel.

Other potential Beltel customers are the 10,000 users of microcomputers. Already Apple, the IBM Personal Computer and Commodore micros can, with extra printed circuit boards, be used as Beltel terminals. Others are likely to follow.

So far one complaint against Beltel is that much of the information is out of date. Viljoen believes this will disappear once the new system is running and people start paying for usage.

For the moment, he is concentrating on business transactions over Beltel. Examples of this include telebanking, teleshopping and bookings services.

Standard Bank is pioneering telebanking, Cheekers teleshopping, and SAAAN, the Argus group, and Nationsale Pers are on the news and entertainment side. Viljoen is hoping that SA Airways or perhaps Info will provide the bookings system.

Other potential uses, especially for business, include cheap communications with regional offices using a “mailbox” facility or a “closed user group” (CUG) facility. The CUG is accessible only by users with the appropriate passwords and is therefore private.

Many people have been put off buying terminals because Sapo is changing from the British Prestel standard to CEPT. But Viljoen says that Beltel will support both types of terminals until the price of CEPT terminals is low enough to be attractive to the mass market, hopefully by June 1985.

“We have the option in the new system to extend support for Prestel almost indefinitely, but the CEPT standard will make it far easier for us to access international videotex systems, so we would prefer to use it,” he says.

Viljoen says that Sapo will not set prices of terminals but will allow the market to do so. “Growth in terminal numbers will occur when CEPT terminals become reasonably priced,” he says.
words...
BOP Manpower Minister Rowan Cronje, a former member of Ian Smith’s Rhodesian Front Cabinet, has apparently changed his tune about trade unions.

The homeland’s recent ban on SA-based trade unions is in glaring contrast with Mr Cronje’s utterances at a conference of the Institute of Personnel Management last year.

He said at the time: “Many people regard trade unions as a monster. I believe that a trade union is an essential and a most important part in the process of industrial stability and sound relationships.”

In grand fashion he continued: “In the field of industrial relations the obvious objective ultimately is industrial peace and harmony. However, if ‘peace’ means to an employer a humble, docile labour force, peace could never be a possibility.”

Mr Cronje said that Bop’s new industrial relations legislation would “actively encourage and assist with the establishment and training of these unions.”

Trade unionists might be wondering if he really meant “assisting in the neutralising and taming” of these unions.

The Cusa statement also warned the giant multinational Union Carbide, which owns a number of mines in the homeland — including Ucar, which is refusing to grant NUM recognition — that it was “prepared to raise the issue at every local and international forum”.

Cusa also alleged that the Bophuthatswana government had come to a deal with the white mine workers of the Mineworks’ Union, and warned that this would sow the seeds of discord and suffering among workers.

It also slammed Mr Cronje for his “pious and sanctimonious utterances” in supporting the homeland ban.

“For some time now we have been expecting the so-called government of Bophuthatswana to take this action,” said Cusa.

“Many of our members daily cross the road to work in so-called Bophuthatswana. Cusa has constantly maintained that this charade will continue and that the people of the homeland are being misled.”

Don’t come back, Ford boss told

EASTERN Cape trade union leaders in the motor industry slammed the recent visit of Ford’s World-wide Chief Executive Officer Mr Phillip Caldwell of America to Port Elizabeth.

The National Automobile and Allied Workers’ Union (Naawu) and the Motor Assemblers’ and Component Workers’ Union (Macwusa) said they were “not informed of his visit and also condemned the remarks he made.”

Mr Caldwell told reporters Ford could not manage labour affairs from 9 000 kms away and left these with Ford management in South Africa. Naawu regional secretary Les Kettledas described this as surprising.

“We believe there are principles which are basic to labour relations all over the world. This includes consultation with trade unions before workers are retrenched,” he said.

“Mr Caldwell’s statement amounts to divorcing Ford’s headquarters from labour issues at its subsidiaries.”

Ticket inspector ‘told me to strip’

BY BENITO PHILLIPS

A RAILWAYS ticket controller ordered a 14-year-old to strip and then assaulted her after querying her train ticket, an East London magistrate heard this week.

The controller, Carl Albertus van Rensburg, was fined R300 or 50 days for indecent assault.

The girl told the court she had been taken into a second-class compartment by the controller, who said he wanted to speak to her about her ticket.
WASHINGTON — In spite of strong objections by the chairman of Washington DC's pension fund, a decision by America's capital city to withdraw its R94 million investments from companies and banks doing business with South Africa and Namibia is expected to become law on March 7.

This week a US House of Representatives committee endorsed by 10 votes to two an earlier decision by a congressional subcommittee to reject an argument by Congressman Phil Crane of Illinois that the city's dis-investment Bill be vetoed.

Only two moves can stop the Bill now.

One is for the full House of Representatives to throw it out — a step that Congressional sources said today was highly unlikely.

The other is for the Bill to be challenged in court by pensioners, or by banks and companies affected by it, as unconstitutional — but there has been no firm sign of such a development so far.

In the absence of any more challenges, the Bill — originally introduced in the city council by a councillor, Mr John Ray — will automatically become law after the lapse of 30 legislative days.

The Bill is one of the most controversial measures approved by Washington DC. Economists and financial analysts argued its pros and cons, some saying that it would be especially harmful to the city's pension fund to be prevented from investing in America's most profitable companies and corporations, and others saying it would not.

One who protests about the measure was Mr Frank Higgins, chairman of the DC Retirement Board, who said that though his board condemned apartheid, the Bill threatened the board's ability to invest its funds prudently.

Mr Higgins warned the congressmen, who have veto power over the city's financial affairs, that actuaries had calculated a R15-billion "unfunded liability" for Washington's pension fund in 20 years' time.

The city's taxpayers might have to carry this burden unless the US Government's contributions to the fund were increased, he said.
US company moves into freight market

Finance Reporter
A TOP United States transport company, Enterprise Shipping Corporation of San Francisco, has moved into the South African air freight market as American partners of Eagle Freight of Johannesburg.

Richard Backwell, managing director of Eagle Freight, a Protea Holding subsidiary with branches in Durban and Cape Town and agencies throughout the country said: "We believe that by linking with Enterprise Shipping, which is in the top 15 air freight concerns in the US, we will offer our clients a better service, especially as our emphasis is on speed, cost effectiveness and communication."

Enterprise has branches in San Francisco, Los Angeles, Chicago, New York, Boston, Denver, Salt Lake City, Houston, Seattle, Miami and Kansas City.

Michael Squadirile, vice-president of corporate development said: "A feature of our deal with Eagle Freight is the direct consolidation service we offer from the West Coast, Mid-West and East Coast of the US to South Africa, which is more cost effective, a lot safer because of reduced physical handling and generally a lot quicker, usually by as much as 24 hours."

Enterprise Shipping, which began as a sea freight company in 1964, launched into air freight in 1970. Today about two-thirds of its R25 million gross billings is air freight.

The corporation is also negotiating with Eagle Shipping, a Durban subsidiary of Protea Holdings, for a similar partnership deal to handle sea freight.
Comprehensive Act

Comprehensive Treatment under CP

Fewer Whites Get

Eviction

by CP Teachers' Bill Amendment

W. LYN JONES

The article begins with a discussion of the history of the Comprehensive Act and its impact on education. It then moves on to discuss the Comprehensive Treatment under CP, focusing on the issue of eviction and the rights of CP teachers. The article highlights the insertion of the bill into the Comprehensive Act and its implications for education reform. It also includes a quote from W. LYN JONES, who emphasizes the importance of addressing the educational needs of CP teachers and the need for a comprehensive approach to education reform.
US Chamber of Commerce votes to keep ties with SA

Argus Foreign Service

WASHINGTON. — The board of directors of the United States Chamber of Commerce has voted in favour of maintaining US commercial ties with South Africa as the best way to change apartheid policies and to bring employment opportunities to blacks.

At the same time, the board urged American businesses in South Africa to launch vigorous programmes to improve the lives of black employees, their families and their communities.

The US Chamber of Commerce is a powerful nationwide organisation with 200 000 members consisting of private businesses, associations, and local and state chambers of commerce.

It is an influential lobbying body in Washington, and runs its own business-oriented television programmes which are widely viewed.

Significant gain

The board’s vote is seen here as a significant gain for those who oppose a strong effort by anti-apartheid activists to force disinvestment measures into local, state and federal laws.

Recently, the city of Washington voted to cut all financial ties with companies doing business in South Africa — a move opposed by both of the city’s daily newspapers — and disinvestment measures will come before the US Senate in the next few weeks, having already been approved by the US House of Representatives.

This week, the Secretary of State, Mr George Shultz, said disinvestment and economic sanctions would pull the rug out from under South Africans working towards a more equal society.

Mogopa removals

Analysts here believe that when the senators vote, they will be most strongly influenced by their perceptions of how South Africa is treating its black population.

In this respect, the analysts say, the Group Areas removals at Mogopa, which have been widely publicised in the US, are a major setback for the Administration’s efforts and a boost for the advocates of disinvestment.

The board of the US Chamber of Commerce voted to go on record as opposing racial discrimination.

It called on Congress to defeat amendments to the Export Administration Act that would ban new investments in South Africa and make adherence to the Sullivan Code of fair employment practices mandatory.

The board questioned the efficacy of trying to apply US laws in a sovereign foreign country and pointed out that Americans would certainly reject such an attempt if it were applied in reverse.
U.S. firms slam ‘get out’ call

By SARAH SUSSENS

The American Chamber of Commerce in South Africa (Amcham) has slammed calls for disinvestment from the Republic, arguing that American companies in the country have contributed significantly towards change.

The body, which represents American business involvement in South Africa, said any moves to bring about disinvestment would hit blacks the hardest.

In a report which was sent to all leading American politicians, including President Reagan, Amcham outlines the impact of US business on the social and economic life of South Africa.

Work by American companies in numerous fields—such as education, training and development, black business development, housing, health care, special projects, and industrial relations—is detailed in the report.

Well-intentioned people may believe our presence here is harmful to the cause of justice and equality. This is not so and we would welcome an opportunity to make that clear, the report states.

Introducing the report, the executive director of Amcham, Mr C M Elise, said Amcham’s relationship with the South African authorities through the South African Relations Committee had much to do with breaking down the apartheid system.

“Any opposition to the ‘Orderly Movement and Settlement of Black Persons Bill’ last year has had positive results,” he said.

Amcham, which has a membership of less than 300 companies, seeks to minimize discriminatory or restrictive government practices—whether US or local—which could impede the international flow of goods, people, services and capital.

The report states that of the 356 odd US companies operating in South Africa, 147 have endorsed the ‘Sullivan’ code.
THE impact of the Sullivan code on employment practices in South Africa has been outlined in a report from the American Chambers of Commerce in South Africa (Amcham).

"By 1983, of the approximately 350 American companies operating in South Africa, only 14% had endorsed the code," observed Amcham in its report just published.

"These companies, however, employ over 75% of the total workforce employed by US companies of the balance, 21% work for companies over which the US parent companies do not have majority control.

The rigorous attention to the code’s principles meant that by 1983 85% of signatures reported fully integrated facilities. 100% reported equal pay for equal work with significant focus of effort on education, training, health, welfare, housing and black entrepreneurship.

"The extent of the effort is measured by reported expenditure in these areas. In constant 1983 dollars it increased from $1.8 million (R2.25 million) in 1978 to $49.7 million (R50.875 million) in 1983, or, reflected in another way, from an average expenditure of $35 (R43.75) per employee in 1978 to $353 (R478.75) per employee in 1983."

"In its report Amcham endorsed the principle that black workers could best secure a fair economic stake in South Africa by acquiring work skills."

The report provides some evidence of the success of such an approach by noting that the black/white wage gap in South Africa was steadily narrowing.

From R3 for every R1 in 1980, the ratio of a skilled wage to an unskilled wage was now approaching 2.5:1, in comparison with the 2:1 ratio prevalent in the industrialised West.

According to Amcham, nearly all American companies in SA now pay equal wages for equal work, and black real wages had increased by an average of more than 20% a year over the past four years.

This had come against a background of skills and literacy training.

Rev LEON SULLIVAN

In the Eastern Cape, for example, US and other companies had contributed $1.6 million (R2 million) to build a technical college for blacks and a major contribution to the upgrading of black education was the School Video Project costing about $2.5 million (R3.1 million).

Advancement of blacks had not been without its problems, confessed Amcham. In the 1976 American companies began opening higher-level job opportunities to blacks. Most of these endeavours proved a sad disappointment.

"The vast majority of blacks in the workforce were inadequately educated."

Consequently most companies were engaged in ongoing efforts to upgrade skills and functional literacy.

Against this background, Government policy to teach blacks in their own vernacular, combined with inferior educational facilities, seriously curtailed black potential to acquire satisfactory basic education.

Following student unrest in 1976, however, the Government had made significant changes and since 1979 parents have been able to select either English or Afrikaans as a medium of instruction for their children after the third year of schooling.

Furthermore, compulsory education was now being extended to blacks. The report said:

"Black participation in higher education has continued to grow. Of the 158 836 students registered in the country in 1982, 27.5% were black – an increase of 14.7% from 1972.

Vital to this process of educating blacks was an improvement in the quality and qualifications of teachers at black schools. Amcham was therefore giving top priority to in-service teacher training.

In addition the R7.5 million Pace Commercial College was entirely the creation of American business, the report said. Pace has 28 classrooms: a theatre-assembly hall, a library, a kitchen and canteen, a gymnasium and a wide variety of other sports facilities.
US companies state views on SA trade curbs

By BERNARD SIMON

US COMPANIES are hoping a booklet mailed to Congressmen and State Governors will help stave off legislative proposals for tighter curbs on business interests in South Africa.

The publication, compiled by the American Chamber of Commerce in South Africa (Amcham), is the first joint effort by US investors to defend their record in South Africa.

Mr Ian Leach, the head of Caterpillar's subsidiary and the president of Amcham, says: "We want to try and project the value and benefits of a continued American business presence in South Africa."

The booklet says US business, "is exerting an influence out of proportion to the size of US Investment" in the promotion and monitoring of improved black education, health and housing.

"We know of no part of the world," it says, "where American companies are doing more to promote equality and opportunity in the workplace than in South Africa."

Mr Leach says the booklet has been timed to coincide with a Senate debate on a Bill strongly opposed by US companies operating in South Africa.

The Bill's proposals include compulsory adherence to the 1977 Sullivan Code of Fair Employment Practices and measures to restrict the import of Krugerrands.

According to Amcham estimates, US investors have so far spent about $70m implementing the Sullivan Code principles, including desegregation of locker rooms and canteens, improved training facilities and assistance to communities in which black workers live.

There are about 350 US investors in South Africa, concentrated in the office products, pharmaceutical, motor, engineering and oil sectors.

The value of their investments is about $3bn. They employ 125,000 blacks out of an economically active black population of 7.6m.

The investors have come under fire from certain quarters for their involvement in South Africa, which has been "sucked in by the political issues, clearly has limits."

Mr Leach says: "We don't want to be seen as part of the pressure process for change in South Africa."

Sullivan Code signatories are criticized for giving priority to show "bricks and mortar" projects, instead of in-house training and black advancement programmes.

They are accused of not taking sufficient strong stand on political issues affecting black workers - detention without trial and influx controls, for example.

Amcham says it is concerned about the activities of the disinvestment lobby because, "an economic group left weakened and perhaps unsympathetic will not maintain the pace of progress which has been so apparent over the past five years."

Among projects cited as evidence of this progress are:

- The $60m Pace Commercial College in Soweto, sponsored by the US business community;
- An annual increase of more than 20% in real terms of average wages paid by US companies to their black workers over the past four years;
- Several urban renewal programmes in black townships in the Cape Province. According to the Amcham booklet, US investors committed over $1,6m to housing projects in 1982;
- Investigation into the establishment of a business advancement centre for the training of black managers and administrative personnel;
- Aid to black businessmen.

Amcham says several hundred blacks are enrolled in management-related courses in the US, sponsored by American investors in SA.

Several US companies have helped blacks set up franchise operations. They have helped establish black-owned tyre and vehicle dealerships and print shops, using them as suppliers.

Without giving details, Amcham notes that US companies "have played a role in lessening some of the more oppressive effects of the apartheid system."

It is known that US businessmen have protested privately against Government moves to tighten influx controls, but their willingness to become involved in South Africa is clearly has limits.

Critics claim they have done little to improve the black position in South African society, while contributing to the ability to withstand international trade and investment sanctions.
Firms give thumbs down to disinvestment

The American Chamber of Commerce in South Africa has pointed out the benefits its member companies are bringing to blacks here, writes Political Reporter David Braun.

"Americans have certain values, hopes and beliefs. We did not leave these behind when we came here. Any steps taken at home which would remove or limit our presence here can only reduce our capacity to project these values to contribute to understanding and to the institutional structures which are necessary to peaceful change, equality and human progress.

"The disinvestment initiatives which have surfaced in the US fall in this category. Well-intentioned people may believe our presence here is harmful to the cause of justice and equality. This is not so, and we would welcome an opportunity to make that clear."

Amcham, whose American members employ 120 000 blacks, says its impact on the disentanglement of a complex situation in the country has been dramatic.

"It is concerned about the activities of those organisations within America who preach disinvestment from South Africa, because an economic group left weakened and perhaps unsympathetic will not maintain the pace of progress which has been so apparent over the past five years."

The report details the millions of dollars spent by Amcham members to upgrade black education and housing. Nearly all the US companies have closed the wage gap and uniform pension and medical aid plans for all races have been introduced.

Of the 350-odd US companies operating in South Africa, 147 have endorsed the Sullivan Code of employment principles. These companies spent more than R60 million last year, or R40 an employee, on improved working and social conditions.

Several hundred blacks are currently in the US on management-related courses, sponsored by American corporations.

"Success in the promotion and monitoring of the quality of education, health and housing is exerting an influence out of proportion to the size of US investment in the country," says the report.

"If moves to bring about disinvestment are successful, then this progress will die away and the black people in the country will be the ones that will most severely suffer from such a regressive step."
New York may cut funds from SA trade firms

NEW YORK — New York City's top financial officer, Mr. Harrison Goldin, said he would soon propose to trustees of the city's five employee pension funds a plan to phase out investments in three companies doing business in South Africa.

The controller's idea was won support from city council president Mrs. Carol Bellamy and influential city labor leader Mr. Victor Goldbaum, according to a report in the New York Times yesterday, but only qualified approval from Mayor Edward Koch.

Mr. Koch was quoted as saying such a ban should be applied not only to South Africa, but to the Soviet Union and other "pariah" nations, among them Iran, Libya and Syria.

Mr. Goldin is custodian of all five pension funds, and he and Mr. Koch are trustees of the four largest. Mrs. Bellamy and Mr. Goldbaum are trustees of the largest of the five, the New York City Employees' Retirement System.

Mr. Goldin's office said that at the end of January, the latter fund and the police and firemen's funds had about $1.8 billion invested in 148 companies doing business in South Africa.

The only U.S. company named was Sedco Incorporated of Dallas, Texas, a concern involved in the drilling of oil and gas wells.

He said any divestiture should be selective, since some companies had tried to improve human rights in South Africa. — SAPA-AP
US disinvestment will hurt blacks most

By Neil Lurssen
The Star Bureaux

WASHINGTON — South Africa's blacks would be the ultimate losers if punitive action against the country, such as divestment measures, retarded black economic advancement, Mrs Helen Suzman said in a prominent report in yesterday's Washington Post.

Mrs Suzman, the PFP's spokeswoman on civil rights, said that although international pressure had played a role in accelerating change, the real determining factor for change was economic pressure from within South Africa caused by the steady upward movement of blacks into skilled jobs.

The report appeared shortly before the US Congress is to make an important decision on proposed sanctions against South Africa.

The measures, contained in a wide-ranging legislative package that includes a ban on Krugerrand sales in the US, a ban on new US investments in South Africa, and the imposition of a mandatory employment code for US companies, have been approved by the House of Representatives as amendments to the Export Administration Act.

Mrs Suzman is widely respected in the US. Her article could influence members of the Congress, many of whom are not convinced that divestment is in the interests of either the US or South Africa's blacks.

Mrs Suzman said several state and city legislatures had adopted or were considering divestment measures.

"But unless such a campaign can be conducted successfully on a universal scale, which is highly unlikely, it is of symbolic significance only," she said.

The amendments to the Act, introduced by Congressmen Stephen Solarz, Howard Berman and William Gray, could be damaging.

If the intention of the legislation was to send a signal from the US to Pretoria, chances were that it would make little difference, she said.

The truth was that the capacity of the US to influence change in South Africa was limited. This had to be accepted if reform was the objective of those who asked what the US could do about South Africa.

Changes in South Africa could not be attributed to either the carrot or the stick.

"The determining factor has been economic pressure from within South Africa, the steady upward movement into skilled occupations by blacks, eventually giving blacks the muscle with which to make demands for shifts in power and privilege, backed up by the force of black urbanisation, which continues inexorably despite government action to stem it," Mrs Suzman said.

While blacks reacted with enthusiasm to suggestions of punitive action against South Africa, in fact, if black economic advancement inadvertently were to be retarded by these actions, blacks would be the losers, she said.

In spite of the limitations, she believed the US had a role to play in South Africa.

The US should use its leverage wherever possible to lend weight to the hope it expressed after the recent referendum in South Africa that the mandate received by the Government be used to address the problem of the political rights of South Africa's black majority.
Ford looking for profits from its SA operation

DETROIT — The Ford Motor Company had its best sales outside North America last year since the record year of 1979, maintaining its position as the dominant firm in international markets, according to a senior executive.

Combined Ford car sales in Europe, Latin America, Africa and the Asia-Pacific region rose five percent over 1982 to a record 1741,000, though lorry sales of 282,700 declined six percent.

Though Ford — the world's second largest motor company — made no money in South Africa last year despite a small gain in volume, the company intended to become profitable there this year, said Mr Robert Lutz, the company's international chief.

Ford made substantial gains in Asian and Pacific markets and increased its overall share of international sales from 10.1 percent to 10.4 percent, he said.

Though Ford ranks behind General Motors when US and foreign sales are combined, its 1983 sales kept it ahead of its competitors for sales outside their home countries.

However, Ford said last month that its earnings from its overseas operations declined by $109 million to $35 million last year.

The company blamed the slide on the dollar’s strength, the cost of new model introductions and one-off costs of European plant closures.

Despite increased competition from General Motors and Japan's Toyota company, Mr Lutz said 1983 was his company's second best international sales year in 81 years of doing business, with volume almost a million units ahead of Toyota.

Records were set in Britain, France and Taiwan and sales also increased in South Africa, West Germany, Brazil, Argentina, Malaysia and the Philippines.

Ford announced earlier this week it would cease operations in the Philippines in August because of losses and problems in the local industry.

Sales declined from 1982 levels in Spain, Italy, Venezuela, Australia and New Zealand, even though Ford increased its market penetration in some of these countries.

Looking ahead, Mr Lutz said he expected Ford's sales outside the United States and Canada to improve again overall with the Asian-Pacific countries showing the best growth.

Latin America remained a “problem area,” he said, because government anti-inflation measures made it unlikely the company would make adequate profits there in the near future.

— Reuter.
New move on Sullivan Code

By Neil Lurssen, The Star Bureau

WASHINGTON — The Rev Leon Sullivan, author of the fair employment code for American companies in South Africa, has launched a world-wide campaign to persuade 1,000 multinational companies to practice equal rights in this country and to take a stand against apartheid.

Mr Sullivan, who recently returned from Europe where he has promoted his campaign, is also lobbying here for the Sullivan Code to become mandatory in US law for the 390 US companies in South Africa.

Many of the larger US companies already adhere to the code, but if a measure is to come before a conference of the US Senate and House of Representatives is approved, all will have to observe the code or face financial penalties in the US.

Mr Sullivan wants to extend his equal rights campaign to companies based in Europe and Japan.

He argues that US adherence, even if mandatory, is not enough to eliminate apartheid.

At a meeting here attended by Secretary of State Mr George Shultz, Mr Sullivan said he had met government, industrial and religious leaders in Europe.

"The beginning of a network of mutual interest has been established that, if developed, can assist in bringing about this world multinational effort," Mr Sullivan said.

He called on the US Congress to make the Sullivan Code mandatory, saying that it would influence the actions of companies and governments throughout the world.

Kidnapped tourists alive in Zambia?

HARARE — Zimbabwe has denied a rebel gang commander's claim that six foreign tourists kidnapped in Matabeleland were alive and being held in neighbouring Zambia.

"Zambia was consulted on the matter and the results were negative," Minister of Security Mr Emerson Mnangagwa said in an interview with the Harare Herald newspaper today.

Mr Gilbert Ngwenya, head of a rebel gang alleged to have kidnapped the tourists on July 23, 1982 told a court in Matabeleland on Monday that the two Americans, two Australians and two Britons would be freed if certain demands were met by the Zimbabwe government.

Mr Ngwenya, a former guerrilla commander for opposition leader Mr Joshua Nkomo in the seven-year independence war, told the magistrate that if properties confiscated by the government from Mr Nkomo two years ago were returned, the six abducted tourists would be returned.

Mr Mnangagwa told the Herald there was no evidence the tourists were alive in Zambia — Mr Nkomo's base during the war. — Associated Press.

Red navy flexes its muscle

The Star Bureau

LONDON — Large-scale Russian naval manoeuvres now taking place in the Norwegian Sea seem designed "to show the Soviet navy's ability to defend its homeland," the North Atlantic Treaty Organisation said.

The manoeuvres, the biggest seen in north Atlantic waters, are mainly concerned with practising anti-submarine warfare.

Yesterday more than 20 submarines had been detected with three groups of warships, the largest of which is being led by the 22,000-ton nuclear-powered Battlecruiser Kiev, from the Northern Fleet.

The Kiev group of 15 warships was spotted last week heading west past the North Cape from its bases near Murmansk.

Pik, Steyn meet for talks

Political Staff

CAPE TOWN — The South African Ambassador in London, Mr Marais Steyn, has started talks with the Minister of Foreign Affairs, Mr Pik Botha, in Cape Town.

Mr Steyn was recalled after the arrest of four South Africans in Britain, who appeared in a British court charged with illegally exporting arms to South Africa.

French pay tribute to Mark Raubenheimer

The Star's Foreign News Service

PARIS — About 500 people attended a concert here by four leading young French professional pianists in memory of their South African colleague Mark Raubenheimer.

Mr Raubenheimer (31) was killed in an air crash in Madrid in December. Critics had predicted a brilliant future for the South African, who won the International Piano Concours at Santander, Spain, in 1982.

The South African Ambassador in Paris, Mr Robert du Plooy, and about 40 members of the South African community here attended the concert.

Mother dives under bolting horses

The Star Bureau

LONDON — A TV film sequence turned to near-disaster when horses drawing a coach carrying Sir Harry Secombe suddenly bolted into a crowd of onlookers.

His mother dived under the flailing hooves to drag him to safety.

A woman was taken to hospital with suspected broken ankles and five other people were treated for shock and bruises.

The drama happened during filming for Sir Harry's Sunday show "HARRY."
Suzman calls for stop to removals

She criticized the plan to remove 51 coloured families from Landsdowne, the scheduled removals of thousands of people in Natal, the removals in Driefontein and others.

"A permanent freeze on all removals would do more good for South African than a rise in the gold price."

While she had been campaigning in America against disinvestment, the government helped the disinvestment lobby by announcing removals such as Magopa, which made headlines throughout the United States.

Governments actions, not opposition criticism, of those actions, affected disinvestment as well as possibly billions of rand in potential new investment.

Companies and universities weighed up profits against the "harmful factor" of well-organized protest groups at annual general-meetings and decided investing in South Africa was not worth the trouble.

Nor was it only forced removals which provided ammunition for the groups agitating against South African investment. Deaths in detention and the whole system of detentions and bannings which denied people the due process of law had the same effect.

Mrs Suzman said the government could not rely on the effects abroad of its new constitution and the Nkomati accord. Only last week the US Secretary of State, Mr George Schultz, said America's relationship with South Africa would remain limited, while the majority of South Africans were denied meaningful political participation.

This what the PFP had always advocated, not because of overseas pressure but because it was right for South Africa.

South Africa would not regain respect in the West until the internal policies were brought into line with the widely accepted criteria of Western democracies.
Could "t wait to get to the pho

Motor Industry 'well on a March peak

Car sales hit

G.M. has no plans to leave South Africa

By Louis Becklerling, Business Editor

the road to recovery"
Sullivan code
gets more
signatories

By JOHN MATISONN
WASHINGTON — Four US companies — Eaton Corporation, Pepsi, Chicago Bridge & Iron and Foster Wheeler Corporation — have signed the Sullivan voluntary code of employment practice relating to South Africa.

Three of the four — Pepsi, Chicago Bridge and Eaton — were among 26 companies singled out by Mr Frank Wisner, a deputy assistant secretary of state for African affairs.

There are now 124 signatories and 200 US firms which have not signed. Those that have signed are the larger ones. They account for 72% of US investment in South Africa and employ 74% of those working for American companies.

Eaton, a car component company, signed the Sullivan code at the end of 1983. The soft drink company, Pepsi, signed two weeks ago. Foster Wheeler, a chemical engineering and energy company, signed early this year. Chicago Bridge signed last year.

In June last year, Mr Wisner told a hearing of the House of Representatives sub-committee on African affairs the 26 firms should support the Sullivan code.

"Mr. Wisner called for voluntary signing of the Sullivan code as part of administration efforts to stop Congress from imposing limited economic sanctions against South Africa.

At the end of last month, the Secretary of State, Mr George Shultz, addressed "chief executives" of companies doing business in South Africa.

He praised the record of American firms in South Africa.

But he added: "We have to be seen doing a better job. I strongly urge those companies that have not adopted such principles, for example those basically defined in the Sullivan code, to do so without delay."

The White House says it is "gratifying to see the passage of this legislation, which would include making a code of employment conduct mandatory in US law."

The Senate has passed a version of the Sullivan code without the Sullivan code.

The Senate has passed a version of the Sullivan code without the Sullivan code.

The one most likely to become law is one pushing American firms with more than 20 workers in South Africa complies with a code of fair employment. This would be enforceable in US courts.

The Reagan Administration opposes the legislation. In particular, it does not wish to see American firms forced to comply with a code that is enforceable in American courts.

Y & R moves into the SA market

By PAUL DOLD, Financial Editor

YOUNG & RUBICAM (Y & R) with billings of $3 billion and a staff of 7,000 is the largest United States advertising agency. With 140 offices in 26 countries Y & R is truly global and its leading accounts include General Motors, Ford, Procter & Gamble, American Express, Kodak, Gillette, Johnson & Johnson, Warner Lambert, Kentucky Fried Chicken and Ford.

Y & R moved into the South African market through the Republic's professional advertising agency, Comcor, which has been an R.T.M. Comcor's twin is also the McCann Shefford Pantos Partners and both are part of the FCB network.

The deal provides Y & R with the expertise to service its multi-ethnic clientele in South Africa and the link with this office offers Comcor access to Y & R's 200 clients, which know-how not only in the technical field, but also in significantly. The agency will also be able to offer the best national service, which operates abroad — 3D, the South African subsidiary of Foyle, Plate Glass and IFP which operates in more than 20 countries.

Interview

Y & R's president, Mr Peter Georgescu, describes Cape Town this week as "a very fast moving country and is looking forward to giving the business the sort of momentum that his company is known for. "

Mr Georgescu join<br>...
business
people
favour
SA ties

WASHINGTON. — Nearly 80% of United States businessmen responding to a poll—opposed mandatory restrictions on US investments in South Africa, while 16.6% want to replace the present voluntary guidelines, the US Chamber of Commerce reported yesterday.

The chamber said over 1,600 readers of its monthly magazine, "Nation's Business", replied to a poll in the publication's March issue which included a question on South Africa.

Another 8.6% respondents were undecided. The magazine has a circulation of 850,000 and the chamber says nearly 65% of its readers are top-level business leaders.

It said, 'The role of United States business in South Africa has long been controversial. Some argue that any American presence in that country amounts to support of its apartheid system of racial segregation. Others, including many business people, say an American presence can help the black majority.'

'Seven years ago the Rev. Leon Sullivan, a Philadelphia civil rights activist, drew up guidelines to promote equality for South African black employees of US firms,' Sullivan's guidelines and impose other restrictions on US involvement in South Africa. Some fear the next step would be the forced withdrawal of US interests from South Africa.

'Should US business in South Africa be restricted?' The chamber said 79.5% of those responding to the poll were against restrictions.
American firms in SA shown as good guys

EAST LONDON — American companies operating in South Africa are bent on showing their critics in the United States that "we are not the bad guys, we are the good guys."

An article in the latest issue of Fortune magazine (April 16) says this is in reaction to activists who condemn American companies doing business in South Africa and are mobilising influence to oust these businesses and American investments from South Africa.

Activists who condemn American companies doing business in South Africa have dominated the debate for years — the companies have tended to speak softly if at all. Now business has begun talking back.

The main institutional defender of United States companies with South African operations is the American Chamber of Commerce in South Africa. It represents 275 companies with a total South African investment of some R3.6 billion.

"Our critics," says its executive director, Clinton Easton, "have become more vociferous, better organised, and more emotional. Our new position is to let people know exactly what we're doing here."

The American Chamber of Commerce has put out a 20-page report outlining how business has improved the conditions of black workers. More than half of the 275 companies represented have signed the Sullivan code, a set of equal opportunity principles.

The chamber has set out to establish the efforts by American business to abide by the Sullivan principles. An amount of R25 million has been spent so far on, among other things, developing training programmes for blacks and improving the quality of workers' housing, schools, and recreation.

Other highlights of the report:

- Nearly all US companies now pay whites and blacks equal wages for the same work.
- US companies put up a large share of the funds to build a R27-million high school for 600 students in Soweto. Some 200 companies and individuals — about half of them American — undertook most of the R2,000 annual tuition per student.
- Five automobile and tire companies (Ford, GM, Volkswagen, Firestone, Goodyear) built a technical school in Port Elizabeth for training black workers in skilled trades.

The Fortune article explains that the chamber's objective is to influence American political decisions that affect member companies. The chamber hopes to reach minds in more than 25 states and cities which are considering withdrawing pension fund investments from companies with South African connections according to the article. So far Massachusetts, Connecticut and Philadelphia have already pulled out some R245 million.

The article deals with efforts by the American Chamber of Commerce in South Africa to fend off legislation which seeks to forbid US bank loans to the South African government, to ban the import of Krugerrands and make a Sullivan-like code mandatory.

The article says further that the chamber hopes President Ronald Reagan will veto the bill if it goes too far. — DDR
Xerox resolution on SA defeated

NEW YORK — A resolution calling on the Xerox company in South Africa to do more for its black workers was defeated at the company's annual shareholders meeting in New York by 552 million votes.

The resolution called on Xerox to adhere to a set of conditions for investment in South Africa written by Bishop Desmond Tutu, general secretary of the South African Council of Churches.

However, Mr. Andy Smith, of the American Baptist Home Mission Society, told the meeting that Xerox already met most of the conditions and needed only a small step to affirm and support them publicly.

The conditions include: improving housing for black workers; recognizing black labor unions; opposing influx control laws, which limit the mobility of blacks in South Africa; and investing in education for blacks.
Top programme to upgrade black teachers needs money

Education Reporter
THE PRIVATE sector is being urged to sponsor an independent in-service programme aimed at upgrading most of the 60 000 under-qualified black primary school teachers during the next decade.

The Teacher Opportunity Programme (TOPS), the first of its kind aimed at improving education at a higher primary school level, is being organised on a national basis. The Western Cape branch was formed six months ago.

Initiated by an oil company, the project is now autonomous and has the full support of black teachers' associations and academics from many universities, who have been involved in the programme since its inception 18 months ago.

The organisers hope to get a total of R2 million a year for the next decade from all signatories to the Sullivan Code.

So far 1 200 teachers who have only standard eight and a teaching diploma have enrolled in the programme, which aims to equip them with a matriculation certificate.

"This is the lowest acceptable qualification for a primary school teacher," said Professor Cecil Leonard, an associate professor at the University of the Western Cape and TOPS regional chairman.

He said unless pupils were given a solid grounding at higher primary school level remedial projects in black education would always be necessary.

"The hundreds of thousands of rand spent by the private sector on black education in this country in recent years could have been better spent. Unlike many of these earlier projects, TOPS is not just doing cosmetic work. It is trying to nip the problem in the bud."

"By giving teachers better training the standard of education will rise."

He pointed to a recent study by Professor L Schlemmer, of the Centre for Applied Social Sciences at the University of Natal, which showed there was a definite fall off in the quality of black education.

Of pupils interviewed, 60 percent believed teachers were the main factor hampering their progress at school, while 49 percent said if boycotts or demonstrations broke out the main cause would be dissatisfaction with teachers.

The De Lange Report on education predicted 200 000 new teachers would be needed by the turn of the century.

"Trying to meet this need and to solve the other numerous problems in black education is going to take most of the Government's funds and resources."

"There will be very little over for upgrading of teachers and that is why this project is so important," Professor Leonard said.

Teachers taking part in the TOPS programme are given notes to study at home; these are supplemented by regular tutorials conducted by paid professionals.

"The unique feature about TOPS is that it goes beyond mere academic upgrading and also concerns itself with the long term professional and personal development of the teacher," he said.

"Methodology and school management components are included to improve the total competence of the teacher."

AFFIRMATIVE ACTION

Sullivan at work

The Industry Support Unit of The Sullivan Code of Conduct on employment practices (followed by many American companies in SA) has released its report for 1983. While the employment practices of US companies participating in the survey continue to show measured improvement, a depressed SA economy has limited gains to less dramatic levels than in past years.

All 99 reporting signatories now have equal work/equal pay policies; and 98 have desegregated their corporate work facilities. Most have minimum wage levels at least 30% higher than subsistence standards as outlined by studies at Unisa and the University of Port Elizabeth.

Spending on education and training programmes increased to more than R16m, or about R250 per employee. However, funding for health and welfare aid and for black entrepreneurial projects declined by about 15%. The percentage of supervisory and management positions filled by blacks also dipped slightly, from 21.6% to 21.2%. In 1980, 72% of employees enrolled in supervisory training programmes were black. Last year that figure fell to 40%.

The number of signatories to the code decreased by almost 20% in 1983 — from 146 to 120. (There are now 200 US businesses with SA operations.) Nonetheless, those firms adhering to the Sullivan principles represent almost three-quarters of total US investment in SA, and the percentage of signatories contributing to the detailed survey, conducted by the accounting firm Arthur D Little, rose slightly.

Compliance with the code, drawn up in 1977 by the Reverend Leon Sullivan, the first black director of General Motors Corp, is voluntary. The principles call for US companies to implement non-racial employment practices, to increase the number of blacks in supervisory and management positions, and to contribute to the improvement of employees' living standards outside of the work environment.

The US Congress has initiated legislation which would make the Sullivan Code mandatory for US companies. Although the proposal has been characterised as a more palatable political alternative to US disinvestment, it is not likely to be approved in the near future.

Last year's setbacks can in part be attributed to generally poor economic conditions. "The recession has had a definite impact," says Karl Hofmeyr, an associate professor at Unisa's School of Business Leadership. "American companies here have had to do some belt-tightening, and, perhaps with more justification, they've been saying, 'Come on, give us a break, we want to get on with business.'"

But Hofmeyr and others continue to characterise the Sullivan programme as a success. Says Roger Crawford, an Ethnor executive and co-ordinator of the code's South African Task Force: "Over the past five years, we've seen a very definite shift in attitude among the signatory companies. A reluctance to implement the Sullivan principles has changed to a recognition that they represent basic management princi-

"Sullivan ... another year, less success" 

(Financial Mail June 1 1984)
New York's mayor gets tough on SA investment

By RICHARD WALKER

NEW YORK. — The mayor of New York City, Mr Ed Koch, wants the city to boycott any firm active in South Africa that fails to subscribe to the Sullivan anti-discrimination code.

Under his proposal — to be studied by a special six-member panel — the city would neither invest nor buy the products of firms that have not signed the Sullivan Code.

His sudden announcement signalled a sharp reversal of his past policy not to single out South Africa.

It surprised other city officials who have been working on similar proposals for months and enraged the city council president, Ms Carol Bellamy, who was on the point of announcing a much more radical proposal to sell off R2.5-billion in city pension funds invested in 149 companies doing business with South Africa.

The Bellamy plan, backed by a city official, Mr Harrison Goldin, and several union leaders, was in its final review when the Koch announcement "came out of the blue", she complained.

The South African issue has been under debate for more than a year and has badly divided city officials.

Mr Koch denied charges that he was trying to make "political hay" by upstaging the others with proposals that would at the same time limit the impact of sanctions.

He called his new thinking "a change for the good" and called his plan "responsible, equitable and just".

City officials yesterday were also trying to reach a compromise with council members who want to cut off an annual R5-million subsidy to the American Museum of Natural History because South African fossils are included in "Ancestors" — its landmark exhibition tracing man's prehistoric origins.

So far, canned pineapple is the only product in the city's entire inventory of purchases that has been positively identified as South African in origin.

It was being served in schools and at a shelter for homeless men when a complaint was registered last month.
SULLIVAN'S CODE CHANGING SOUTH AFRICA

By Neil Ulman

Reprinted by permission of THE WALL STREET JOURNAL
Copyright (c) Dow Jones and Company., Inc. 1984.
All rights reserved.
In the old days, black workers at the vanadium mine here held jobs such as carrying a white man’s toolbox. It was unthinkable that they might get the same wages. Recently, however, Jonas Mathobela qualified as a boilermaker, at full pay.

"Things started to change about six years ago" at this Union Carbide Corp. subsidiary, says Mr. Mathobela. "They announced the Sullivan Principles. We had a meeting. They equalized my pay with the white man."

In a housing area outside Cape Town segregated for South Africans of mixed race, carpenter Clarence Van Rensburg is buying a modern three-bedroom town house for 6,800 dollars. The neighborhood and its community center, which stand out from their dreary surroundings, were financed by a 1.5 million dollar grant from Mobil Corp., part of Mobil’s commitment to the Sullivan Principles.

In Soweto, home to more than a million blacks outside the city of Johannesburg, Rex Pennington, headmaster of Pace Commercial College, shows off a sparkling new 6 million dollar high school for 600 students. It was financed mostly by 151 American companies, many acting on their commitment to the Sullivan Principles.

It is seven years since the Rev. Leon H. Sullivan, a Philadelphia Baptist preacher and a director of General Motors Corp., enunciated a code of conduct for U.S. companies doing business in South Africa. In that time, says the U.S. State Department, the Sullivan Principles, with their emphasis on bettering the lot of non-whites, have wrought "major change."

The Sullivan Principles dictate nonsegregation in work facilities, equal pay for equal work, fair-employment practices, training programs for blacks, those of mixed race and Asians, and improved facilities in housing, schooling and other quality-of-life areas.

Some South African businessmen and government officials ascribe that merely to coincidence. They say change was inevitable and the Sullivan Principles have had little to do with it.

Union leaders, insisting that they are the only ones who can bring meaningful change for workers, say the Sullivan Principles are merely cosmetic—slick public relations with little effect on fundamental problems.

Others call the Sullivan Principles paternalistic, or dismiss their impact as only a small drop in the large bucket of South Africa’s social problems.

And some give grudging credit. "A lot of South African companies were changing things before Sullivan," says Gavin Reilly, chairman of Anglo American Corp., South Africa’s largest company. "But I do think the Sullivan Principles have... focused the mind on the issues." Renald Hofmeyr, director of industrial relations at Barlow Rand Ltd., a major South African conglomerate, goes further. "The American companies by and large have been the pace setters," he says.
Rev. Sullivan, a longtime civil rights leader, first got involved in 1976. He called initially for withdrawal from South Africa by all American companies as a protest against apartheid, the South African government's policy of racial segregation and discrimination.

Subsequent meetings with South African black leaders convinced Rev. Sullivan that American companies had the potential to do more good by staying than going, he says. As a result, he modified his stance to demand withdrawal by any company that didn't comply with a code of conduct that came to bear his name.

Of the estimated 286 American companies doing business in South Africa today, only 125 are signatories of the code. But they account for over 70 percent of American companies' 120,000 employees in South Africa. And they include the major players like Ford Motor Co., IBM Corp., General Electric Co., Du Pont Co., Gillette Co., Citicorp and the Rev. Sullivan's own GM.

All pay to have their compliance monitored by the independent Cambridge, Mass., consultant, Arthur D. Little Co. While many were recently dropped for failure to report or pay their dues, such major companies as Dresser Industries Inc. and PepsiCo Inc. have just signed up for the first time. Urging by the U.S. State Department plus a bill in Congress that would make compliance with the Sullivan Principles mandatory have applied pressure.

When the Sullivan Principles appeared in 1977, say companies involved, the first task was desegregation. Standing in the way were racial antipathies and a South African law that still requires an employer to provide separate facilities for different races if employees demand it.

As Ford introduced integration, says Fred Ferreira, Director of Industrial Relations, "I talked to 100 employees individually and to many groups. I was hissed. We had employees and their relatives complain and threaten government action. But that's all in the past now."

For the most part, government turned a blind eye. "We went to the Labor Department and told them what we were going to do," recalls Louis Wilking, manager of GM's facilities in Port Elizabeth. "They said, 'Go ahead, we didn't hear you.'"

According to Arthur Little, all but one of the reporting companies has integrated all its facilities. At some companies, however, white holdouts still bring their lunches and eat at desks or workbenches, say employees.

As for equalization of pay, Union Carbide officials say they had no backlash from white employees until they appointed the first black artisans last year to jobs previously reserved for whites. "A couple of whites objected. They don't seem to resent blacks doing the same job, just that they get the same pay," says Hein Enslin, mine manager.
Companies also say they have run into some objections from black employees who wonder why management was spending millions on new locker rooms and cafeterias rather than raising salaries. And while most companies have equalized retirement pensions for blacks and whites they have puzzled over health insurance. Under South Africa's segregated medical system, blacks get very low cost public health care and cannot see paying employee contributions into company plans.

Most companies now look on integration as old business. "At GM our workers eat, wash and work together without any problem. The problem is the different worlds they go home to when they leave the plant," says Louis Wilking. Responding to Rev. Sullivan's call to improve the quality of employees' lives, American companies have "adopted" about 200 nonwhite schools and created programs aimed at upgrading housing for nonwhite employees. They concede their impact is small, but say they aim to show others what can be done.

At Port Elizabeth and in Cape Town, Ford and Mobil have provided backing for new housing in the black and mixed-race communities where their employees live. Ford's method has been to put up the initial money for site clearance and installation of utilities and in some cases to build the first houses for sale to blacks in areas where banks had previously refused to lend.

At its "Fordville" development, for example, it built an initial group of maisonettes and sold them. Then it guaranteed the loan by a local bank for a second group. Now local banks are going ahead on their own to develop the rest of the site, says Arthur Shipalana, a black community relations manager who has been watching over the project for Ford.

Critics complain that the 12,000-TO-15,000 dollar price for the maisonettes is far beyond the reach of most blacks. But Mr. Shipalana insists that with growing black wealth there are many living "in the horrible shacks" around Port Elizabeth who can afford good housing if someone will build it. Ford decided to "be a catalyst to upgrade the area," he says.

Integrating, equalizing pay, adopting schools and building community facilities are all part of what many Sullivan signatories are increasingly calling "Phase One." Early projects "took management into some deprived black areas and for some white managers it was the first time they had an opportunity to see the conditions under which their employees were housed and sent their children to school," says Roger Crawford, a Johnson & Johnson executive.

"We've done the basics. Now it's time for a rethink," says K.P. ("Pat") O'Malley, director of public affairs for Mobil South Africa. He criticizes some of the Sullivan activity as designed to score quick public relations points, thereby wasting resources and ending up in dead-end projects.

For example, says Mr. O'Malley, while adopting schools has been popular with companies it has mostly just saved the government money and helped it improve the status quo. Henceforth companies must sacrifice high-visibility public relations in favor of programs that attack
long-range fundamentals such as teacher training, he asserts.

Meanwhile, South Africa's growing black trade unions remain cool to the Sullivan Principles. "We had no part in drawing up the codes. They were drawn up by employers," says Joe Foster, general secretary of the largely black Federation of South African Trade Unions (FOSATU). "We don't need other people to come and tell us how to survive. We know what we need and we'll fight for it."

Mutual respect -- and annoyance -- continue to characterize the relationship of Rev. Sullivan and his corporate flock. The preacher goads them to do more, constantly "amplifying" his principles with new requirements. The companies for their part complain of Rev. Sullivan's unfamiliarity with South Africa, where he has paid but two brief visits.

Companies that have declined to sign the principles or have been dropped from the program for failure to report or been marked down on compliance often criticize the reporting process as too cumbersome much or more than the signatories, a claim generally rejected by Arthur D. Little as "talking through their hats."

Singer Co. for example, was dropped earlier this year for failure to report. It claims it adheres to the Sullivan Principles, but declined to allow a reporter to visit its facilities. So did Masonite Corp. which was marked down for paying low wages, and PepsiCo which only signed last month.
THE Fosatu-affiliate Chemical Workers’ Industrial Union (CWIU) and the international Colgate Palmolive have signed a wage agreement covering about 300 workers in Boksburg.

In a statement to The SOWETAN yesterday, the union’s branch secretary, Mr Chris Bonner, said the minimum wages are to be increased by between R2 and R2.60 per hour as from June 30.

Increases granted range from 32 cents to 40 cents per hour, according to the statement, as compared with 10 cents per hour rates offered when negotiations began earlier.

Colgate, an American owned company, was hit by a strike during May this year when the initial offer was rejected.

The statement further says that improvements to various other conditions of employment were also negotiated. Leave benefits, shift allowance and public holidays have been increased.

A company spokesman confirmed that wage negotiations have been concluded.

Meanwhile the Steel Engineering and Allied Workers’ Union (Seawu), under Mrs Jane Hlogwane, had indicated that it will accept the Steel Engineering Industries Federation of South Africa (Seifsa) wage offer under protest.

“We are disappointed at the aggressive attitude adopted by Seifsa as this has aggravated the situation during the wage talks,” he said.

Seawu has found management to be “intolerant” by refusing to bargain in “good faith” for the industries’ 380 000 workers. It also found that even if “we refused the offer the Minister will still carry it out.”

However the union has decided to accept the offer under protest and will negotiate with different managements at plant levels.

Two other unions in the metal industry — the Metal and Allied Workers’ Union (Mawu) and the South African Boilermakers’ Society — have rejected the Seifsa’s offer.

The unions could not say whether they will declare a dispute, but sources close to Mawu said that the union is to hold a special national meeting at the weekend to discuss the matter. Ten other unions have accepted the 40 cents across the board increase for unskilled and 20 cents for skilled workers.
US group fights disinvestment

By RICHARD WALKER

NEW YORK. — Twenty-four top American companies have formed a secret committee to fight South African disinvestment, "Fortune" magazine reports.

Citing confidential documents it had obtained, the magazine said the companies were all on the Sullivan Code's approved list. It identified the Ford Motor Company's director of international affairs, Mr. William Broderick, as the committee chairman.

Mr. Broderick is said to support laws making a Sullivan passing grade the qualifier for American companies operating in South Africa.

But a Fortune investigation of the Sullivan system concluded it was "baffling", time-consuming, costly and arbitrary in application.

The code is a seven-year-old creation of the Rev Leon Sullivan, a black Baptist minister and General Motors director. It aims at achieving equality and equal opportunity for all South Africans working for US companies.

The magazine reported that "affairs in the system" were evident.

Firms that ascribed to it, paying an R8 750 annual fee, are scrutinized and have to take a test in which standards are upgraded yearly.

Last year, Ford and 61 others were given passing grades. Firestone and Carnation were among the more prominent of the 34 failures. Most of the 350 US-owned firms in South Africa had not signed on with Sullivan, and last year, 27 dropped out. Only five newcomers have signed since.

According to the magazine, which spent months doing research, Sullivan companies had spent R57 500 000 on social programmes in pursuit of good grades, while administrative matters had sometimes cost as much as R125 000 a year.
The Sullivan code strikes hitches

Dividends for the firms who have signed it have not always come up to expectations reports NEIL LURSSE of The Argus Foreign Service in Washington.

THE Sullivan code of conduct for American firms operating in South Africa has turned into a bureaucratic quagmire, a Washington study has concluded.

Yet, the study says, the State Department is twisting arms to get US companies to sign the code -- in an effort to stop Congress from making adherence to it mandatory.

The code has created a controversial backlash with major foreign and domestic policy implications for the US, the report says.

In a report prepared for the Heritage Foundation, a Washington-based research organisation with close ties to the Reagan Administration, Mr Mark Huber writes that some US firms are refusing to adhere to the code, calling it "low-grade blackmail."

By 1983, he writes, 146 of the 260 US companies in South Africa had become Sullivan signatories and had spent more than R100-million in pursuit of the code's goals.

Participants have to deal with long questionnaires on their activities in the Republic, must submit to an annual audit and pay a stiff fee for the privilege.

Many have done so, investing more than R100 000 in the paperwork alone, only to receive a failing grade from the auditors.

The Sullivan ratings are well publicised and often cited by investor publications. Companies with failing grades can be the targets of divestiture action -- which depresses their market value -- and there is a reflex action by the media to brand them racist, he says.

Mr Huber cites the case of a company that received a failing grade in 1982 for paying two employees 10-dollars below the minimum monthly wage set by the code (this minimum is 30 percent above the prevailing local minimum wage.)

The company explained that the employees were partially disabled people, virtually unemployable, whom it had acquired when it bought its South African subsidiary.

A Sullivan auditor visited the company's South African plant and agreed with the way in which the matter was handled -- but the company still got a failing grade. The two employees now get the acceptable minimum wage.

The code was developed in 1977 by the Rev Leon Sullivan, a Baptist preacher and social activist who has had a seat on the board of General Motors.

Its purpose is to establish fair employment practices in South Africa and to channel US business resources into activities that promote social and economic improvements for Africans.

Among American government officials who have urged the companies to sign is Mr George Shultz, the Secretary of State.
US Steel holds interests in asbestos dumps

By PHILLIP VAN NIEKERK

UNITED States Steel — one of the wealthiest and most powerful corporations in the world — holds investment interests in abandoned asbestos dumps which are polluting large areas of the North Eastern Transvaal and creating a health hazard to thousands of people, a Rand Daily Mail investigation has disclosed.

Also holding extensive land and mineral rights in the area is the British asbestos multinational, Turner and Newall.

The Mail has established that several farms in the area littered with asbestos dumps have been sold to the South African Development Trust in the past 18 months for incorporation into Lebowa.

At present sparsely populated, these contaminated farms are soon to be the scene of large-scale settlement by blacks.

The sales could be in contravention of a provision of the Atmospheric Pollution Prevention Act that a mine-owner cannot dispose of any asset of that mine unless he has taken the necessary steps to prevent dust pollution.

The Mail was the first to report the existence of numerous uncovered dumps in the area four weeks ago. Since then researchers have estimated that at least 200,000 people living there could be exposed to the pollution.

Only one tailing dump in the entire asbestos area running along the Striyberg mountains, which includes densely populated sections of Lebowa, shows signs of attempts to cover it and prevent environmental contamination.

The main companies still owning land and mineral rights in the area are Associated Asbestos, Lagerdraai Asbestos, Dublin Consolidated Mines and Egnep, alongside numerous other small owners.

Dublin Consolidated is owned by Turner and Newall, while Egnep is owned by the Gringaland Exploration and Finance Company (Gefco), which is controlled by the mining giant Gencon.

Associated Asbestos and Lagerdraai Asbestos are wholly owned subsidiaries of Associated Ore and Steel which is controlled by Greesite Investments in which U.S. Steel has a 49% share and is the largest single shareholder.

An Italian company, Italian Prodotti Minerari, also holds a substantial interest in Associated Ore.

Mr Robert Esperance, a director of Greesite based at US Steel's headquarters in Pittsburgh, Pennsylvania, told the Mail yesterday that he was "totally unaware" of the situation.

"We are minority shareholders," he said, adding: "I can't comment on the environmental situation, though US Steel is very, very concerned about it.

Three farms contaminated by asbestos dumps and in which U.S. Steel, through Associated Ore, holds a major shareholding, have been sold in the past 18 months to the SA Development Trust.

They are Fiezaanstraat, Lagerdraai and Beestloek. On Lagerdraai there is an old mill and a tailing dump with a family living right on top of it."

Mr Guido Sacco, the chairman of Associated Ore and Steel, admitted that they had taken no steps to cover the dumps on their properties.

"We stopped mining asbestos a long time ago, about 15 years," he said. "We were a very, very small producer. At the time we did not know asbestos was injurious to the health."

"According to company reports, there were mining operations on both Lagerdraai and Fiezaanstraat as recently as the early seventies."

The Turner and Newall-owned Dublin Consolidated — which has maintained substantial base mineral rights in the area — has been gradually selling off its farms with old mine dumps on them.

All the farms have been sold in the past five years, and the dumps show no signs of having been covered up.

At Bewaarkloof — which Egnep sold to the SA Development Trust in May for almost a quarter of a million rand — vegetation has been planted on the dump but fibres have continued to spill into the road despite a wall being built around it.

Mr C Good, the group finance executive for Turner and Newall Holdings, said that as far as he knew the mines on Dublin property had been worked by tributors.

"To the best of my knowledge — and I must concede its scarcity — the Government Mining Engineer's approval was granted for the sale of the properties.

However, according to an old newspaper report Dublin Consolidated employed 15,000 workers in 1963 working mines in the Bewaarkloof valley alone."
State scotched negotiations

Last January, recognition negotiations between the National Union of Mineworkers (NUM) and Union Carbide covering the Ucar Minerals Mine in Bophuthatswana were at an advanced stage, writes Carolyn Dempster.

What should have been a relatively simple recognition procedure was, however, replaced by uncertainty and industrial unrest.

This was because of the Bophuthatswana Government’s hostility towards the NUM and other South African-based unions.

About 460 NUM members at the mine went on strike on January 23 and 24 over recognition.

At the time, Union Carbide industrial relations manager Mr Cedric Robertson said the company was fully prepared to recognise and deal with the NUM.

But this was contrary to the policy of the Bophuthatswana authorities, who informed the NUM that it had "no standing nor would have standing in the future in the homeland".

The company’s efforts to secure a commitment between the union and the authorities failed.

When Bophuthatswana passed its Industrial Conciliation Act, the door to negotiations with companies in the territory and the NUM was firmly shut.

Mr Robertson said much confusion had arisen from the uncertainty.

"The situation is clear now and labour relations at the mine are good.

"There is no doubt that we have to comply with the Bophuthatswana legislation.

"I don’t think the NUM is very happy, but there isn’t much we can do about it."
New York fund to shed its SA-linked share investments

The Star's Foreign News Service

NEW YORK — The New York city employees' pension fund is to gradually withdraw its investments in companies doing business with or in South Africa.

It is the biggest public pension fund in the US to have decided to make such a move in protest over apartheid.

About $65 million of the pension fund's assets of $8.3 billion is invested in the stocks of companies which do business with or in South Africa.

Miss Carol Bellamy, president of the New York City Council and a trustee of the pension fund, said: "What we are doing by our action is sending a loud and clear message that business as usual in South Africa is not acceptable."

Another trustee, City Comptroller Mr Harrison J Goldin, said: "Companies which persist in promoting apartheid in South Africa are companies in which we do not want to do business, and which we do not want to have an investment."

The pension fund will initially divest itself of stocks of companies "which operate in a manner which directly supports apartheid" or which are not "promoting equal treatment and improving the lives of non-white workers", according to the disinvestment resolution which was passed unanimously by the fund's 11 trustees.

After five years the fund will be rid of all such stocks except those in companies that are of "substantial assistance" in fighting apartheid.

The Sullivan Principles will be among the criteria used in deciding whether to disinvest.

A voluntary code, the Sullivan Principles call for integration in the workplace, equal pay for people of all races, equal employment opportunities and increased training for blacks, coloureds and Indians in South Africa.

The timetable for disinvestment by the pension fund is:

- After six months: companies doing business with the SA military and police, providing financial services to the SA government or refusing to sign the Sullivan Principles.
- After two years: firms which have signed the principles, but which do not allow their actions to be monitored.
- After three years: companies which do not get the highest rating in complying with the Sullivan Principles.
- After five years: all companies except those whose actions "are deemed by the trustees to be of substantial assistance to efforts to eliminate apartheid".

Asked to comment, Mr Ulrich Bach, South Africa's deputy consul-general in New York, said no comment should come from American firms involved.

"It is a matter of Americans deciding not to invest in American companies," he said.

Mr Philip Wetla, a spokesman for Exxon Corporation, told the Argus Foreign News Service: "Exxon feels that it can do more good by continuing its operations in South Africa than we can by pulling out.

"If we were forced to pull out it would have adverse economic consequences for South Africa, particularly for the non-white people."
Maternity benefits deal for another Fosatu union

By Carolyn Dempster, Labour Reporter

Another maternity agreement has been negotiated by an affiliate of the Federation of South African Trade Unions (Fosatu).

This week the Sweet Food and Allied Workers' Union (SFAWU) concluded a maternity package for its female members at the Kellogg Company's Springs plant.

RETAILED

In terms of the agreement, which comes into effect on August 1:

- Female employees who have completed a year's service will be retained on the company books for an additional 12 months provided they indicate their intention to return to work.
- Women taking maternity leave will receive a lump sum payment equivalent to a month's wages and will continue to get medical aid and pension benefits.

Mr Chris Dlamini, president of SFAWU, which is an affiliate of Fosatu, and chairman of the shop steward negotiating committee, expressed appreciation to the management of Kellogg for their "progressive thinking" on the issue of maternity leave.

IMPORTANCE

The agreement is the third such agreement signed by a Fosatu union within the past three months — an indication of the increasing importance the unions are beginning to place on maternity benefits.

To date the most beneficial of the maternity benefits agreements signed by a Fosatu union has been the agreement between the Chemical Workers' Industrial Union and PVC Plastics of Pinetown.
Weekend Post Reporters

THE East Cape motor plants showed this week how they have steadily increased the number of African and coloured employees filling managerial, supervisory and technical posts over the past five years.

Their disclosures follow publication of the University of South Africa Business School report saying blacks throughout the country resent the free enterprise system.

One of the report's recommendations was that companies pay greater attention to eradicating racial discrimination and increase the number of Africans and coloureds in higher-level positions.

Mr Fred Ferreira, director of industrial relations at Ford, said the first few blacks were appointed to supervisory positions at Ford before the mid-1970s.

By December 1975, 112 African and coloured employees held 17.4% of the total — held supervisory positions at Ford.

He said this was a considerable increase compared with 1977 when only 5.5% held supervisory positions — a high percentage compared with prevailing employment trends at the time.

He said this was a result of the company's equalisation programme, which aimed at creating "equal opportunities for people of equal merit", irrespective of race, religion or sex.

This had been prompted by the shortage of whites filling supervisory, managerial and technical positions and the company's commitment to creating equal opportunities.

But the company had not managed to upgrade as many blacks to higher levels as they had hoped to. This was because they had struggled to find suitably educated candidates and the company's own training programme was a long-term one, Mr Ferreira said.

"It's also not as easy to transfer black supervisors to Port Elizabeth because once you have overcome restrictions on their mobility you still face the housing backlog in the township.

In 1977, Ford became a signatory to the Sullivan Principles, which aimed at improving the quality of life of black South Africans in and outside the workplace.

However, in 1979 Ford commissioned an investigation to assess the extent to which these principles were being adhered to within the company. One finding was that, in reality, black employees had to be better qualified than the white candidate to obtain a promotion.

Mr Ferreira said the company had found it difficult to eradicate prejudice overnight among their white staff, who were often responsible for making decisions about who would be promoted to work with them.

He said Ford was currently working on a five-year plan which aimed to increase the current figure of 17.4% of African and coloured employees in supervisory and managerial positions to 25%.

Mr Graham Hardy, press affairs manager of Volkswagen, said 51% of Volkswagen's 278 apprentice artisans were black.

The company had an employee advancement programme which aimed at training and uplifting people from within the ranks, irrespective of their racial groupings.

As a result of this and the shortage of skilled labour, many Africans and coloureds had risen rapidly into skilled categories.

The company also had more than 100 black supervisors and foremen at present, some of whom supervised whites as well.

In 1978, there were only two qualified black artisans in the country, both of whom were from the Volkswagen apprentice school, while it had also produced the first three coloured die and press toolmakers in 1971.

In 1978, Africans and coloureds comprised only 20% of employees in the top four hourly-rated grades. Now they were 53% of employees in these grades.

Mr Peter Sullivan, General Motors' public relations manager, said the number of blacks in GM's salaried positions had increased 75% since 1979 and now represented more than 10% of the plant's salaried workforce, compared with only 4% in 1977.

The positions occupied range from managerial and supervisory posts to jobs requiring specialist technical and professional skills and qualifications.

"General Motors had conducted several programmes aimed specifically at orientating and developing high-potential black employees for advancement."

The company's pre-foreman and co-op technician programmes and the college-graduate-in-training programmes were examples of programmes designed to orientate and train blacks in company operating practices.

Such programmes also identified individuals having the potential to progress to positions of greater responsibility and ultimately supervisory and management status.

At present, half of GM's total apprentice trainee complement was black and during the past three years 13 black apprentices qualified.

Further, since 1980, more than 800 black hourly-paid employees had benefited from formal training in welding, metal finishing and other skills development programmes, resulting in movement to higher work grade classifications as skills were acquired.

Recognising that education was also a key factor in employee development, GM operated several on-the-job training programmes to help employees further their education and to prepare themselves for advancement.

The company's tuition refund plan for employees provided funding in advance to black employees enrolling in part-time study courses.

To help black employees get a technical education, preparatory classes were conducted in the company's training centre after working hours by plant training instructors and personnel from a local technical school.
American investment in SA put at $2.5bn

BY PRISCILLA WHITE

BETWEEN 350 and 450 American corporations have $2.5bn invested in SA, despite the disinvestment lobby in the US.

Mr Stephen Bisellius, newly-appointed American Chamber of Commerce executive director, says: "We are trying to act as a catalyst for two-way trade and to achieve parity, which now favours the US.


Statistics for 1982 show $11bn worth of crude materials were exported to SA, $27bn of chemicals, $41bn of manufactured goods, $3.5bn of manufactured transport goods, and food worth $9bn.

SA-exported -- minerals -- worth $21bn, chemicals worth $1.5bn and $99bn in gold coins.

Mr Bisellius sees technology transfer as the main area of thrust for future trade contact.

"South Africa will continue to import medical and computer technology, water conservation hardware and do-it-yourself equipment.

Conversely, it has achieved enormous success with exports of the Kressy Krauly pool cleaner; for example, and the sale of the rights to Sasol technology cannot be ruled out.

He says counter-trade may be the way to bypass the problem of the present imbalance between the dollar and the rand.

Although the SA market is small by international standards, it is viewed as a growth market, according to Mr Bisellius.

He acknowledges that the two countries have different vested interests.

SA steel exports have been cut 46% of total American consumption. On the other hand, some US electronic components are subject to up to 65% duties when imported into SA.

The American Chamber of Commerce has a membership of 360, of which a third are SA-companies.

Mr Bisellius believes membership will reach 500 by the end of 1984."
Ford denies speculation of South African pull-out

Motoring Reporter
FORD Motor Company managing director Brian Pitt denied speculation yesterday that the company might pull out of South Africa.

'No way,' said Mr Pitt. 'Ford are not leaving the country. We are here to stay.'

In August, Ford's Sierra was the third-best-selling car in South Africa behind Toyota's Corolla and Cresta, with the Escort coming in fourth.

The speculation has arisen out of discussions between Ford and Amar Motor Holdings, formerly Sigma, on possibly co-operating in an effort to reduce future costs of bringing in new models.

It costs about R50 million to tool up for a new model in South Africa.

An official statement said: 'Amar and Ford are exploring matters of mutual interest.'
The US divestment ball is rolling — how far is anyone's guess

By PATRICIA CHENEY: Washington

Positive responses were received from Chicago, Los Angeles, Seattle, Detroit, San Antonio, Honolulu, Oakland, Dallas and Denver, Indiana. Mayor Flynn has pledged to follow up on the issue when the full membership of the Conference of Mayors convenes in Washington next January.

Significantly, the Boston City Council has also been asked to support a petition to the Massachusetts State Legislature to change the state law which allows the city to vote. On Monday, the Boston pension fund invested in any stock lawfully available.

By restricting investment, the Boston Retirement Board would be in violation of the state law. The law backers are confident that the petition will be granted because Massachusetts is one of the states to have passed divestment legislation.

Plessey

Perhaps most important, because of the amount of money involved, is the battle being waged in the New York City Council over just how far its pending divestment bill will go.

In all, the New York City Council oversees $21 billion in public funds. Of this, the employees' pension fund — known as the largest in the country — is threatened directly. The fund, which is currently invested in foreign financial institutions, is being targeted for divestment.

The overall impact of the legislation would be significant, with the council likely to pass a bill that eliminates the city's $21 billion in public funds from future investments in South Africa.

The bill also includes language that would prevent future investments in South Africa, thereby blocking the flow of billions of dollars in public funds to companies that continue to benefit from the apartheid regime.

SOUTH African black workers, employed by United States companies, paradoxically, are in a better position than those employed by local companies.

And, it is ironic, that black workers outside the US companies have a generally higher regard for their performance than those actually working for them.

The overall impression from the findings seems to suggest that US companies employees are more hardline than average; this would square with their profile as generally better educated, more middle-class people, who tend to take more radical positions, according to the survey.

For example, US company employees were more favorable to divestment than blacks living in general were there. Blacks living in general were more likely to divestment than blacks living in general.

Also, US company employees were more likely to divestment than blacks living in general were there. Blacks living in general were more likely to divestment than blacks living in general.

They believed the South African Government and whites in general were the main beneficiaries of the South African economy. Black workers not employed by US companies consistently rated American corporations higher than blacks actually working in the multi-national.

Comments President Ford's overall friendly image among the US company employees, however, the employment impact is considerably more favorable than unfavorable.

"Given the outstanding reputation that US companies appear to enjoy with black workers, it is not surprising that so little support for disinvestment exists." He also remarks that the findings suggest that employment policies have had a salutary effect on personnel policies in these companies.

Fewer

In the anger index, slightly fewer blacks employed by US companies felt the situation was getting worse — 53 percent as opposed to the 60 percent average.

The US State Department has declared: "There is no doubt America’s support, with subsidiaries and affiliates in South Africa have become a major force for change."

"A policy of disinvestment would undermine important efforts and would reduce America's relevance to South Africa's future." The US government of US Commerce Department has officially declared that Black Power and its White allies have been "wholesale and unconditional." Unconstitutionally, however, the department feels the federal government would not be able to interfere in the state and city decisions, despite some "implied constitutional limitations on the activities of the state in the area of foreign affairs."
Another two cities join disinvestment campaign in US

The Star's Foreign News Service

NEW YORK — The US disinvestment movement is growing with more cities and states restricting investments in South Africa.

Latest cities to join the movement are New York and Boston. Since July they have issued disinvestment policies that will require sale or transfer of nearly $700 million in stocks and bank deposits.

Having caught hold in the late 1970s, the disinvestment campaign initially spread to about 13 centers — mostly college towns such as Cambridge, Massachusetts and Berkeley, California.

Then in 1983 Philadelphia became the first big city to pass a disinvestment ordinance. Last year Washington followed.

So far five states, Connecticut, Maryland, Massachusetts, Michigan and Nebraska have also passed laws on disinvestment of South African holdings.

At the same time support for federal legislation on curtailing investments in South Africa, although opposed by the Reagan Administration, has been building in Congress, says the New York Times.

The House of Representatives, measures this year to halt all new corporate investment in South Africa and require US companies to institute fair labor practices and benefits for blacks in their South African operations.

The measures are now with the Senate.

Said Representative, Mr. Stephen Solarz, a sponsor of the House measure: "Even if our Bill dies, the effort to raise our concern over conditions in South Africa will continue."

Direct investment by US companies in South Africa is estimated at a $2.5 billion, but that excludes bank loans and gold stocks.

Other estimates have put the total, including loans and gold stocks, at about $14 billion.

Heading the disinvestment campaign in US cities and towns is the Mayor of Boston, Mr. Raymond Flynn. He has written to 100 mayors around the country, asking them to follow Boston’s example in introducing tough disinvestment legislation.

South African corporations have paid for a 10-page advertisement in next month's issue of the respected business magazine, Fortune, showing concern over the disinvestment movement.

The adverl acknowledges the "growing momentum" for disinvestment and says that a victory for US presidential candidate Walter Mondale in November could certainly see this campaign intensity.

Of the 350 American companies with branches in South Africa, 122 have signed the Sullivan Principles laying down equal employment practices, says Mr. D. Reid Little, vice-president of the accounting firm which regularly monitors the performance of companies which have signed the Principles.

The latest study carried out by his firm showed that 66 percent of the firms scored passing grades in a test of their employment practices.

He said that although American firms which conformed with the Sullivan Principles employed only 60,000 — representing less than one percent of the South African labor force — their working conditions had improved greatly and other companies were imitating their fair labor practices.

"The influence is a positive one," he said.
‘Day-off neurosis’ hits workaholic Japanese

TOKYO — The Japanese have contracted a new illness: the day-off neurosis. Faced with the prospect of a hollow day, many workaholic Japanese literally become ill.

Most at risk are company employees. The five-day working week has been with us for a few years in Japanese business. After years of pushing themselves to work, and with the bonus of fewer weekend days, the five-day working week has become the norm.

A recent report cited the example of a 45-year-old executive with a major firm who began to stagger through Saturday, not a second day off in a row was in the least too much. He, too, had to cope with the sudden transition. "I get up at 7 a.m. on Mondays and Sundays. Since I never go out on Sundays, I feel very lonely on my days off," he says. "I have few friends and the only person I can talk to is my wife."

The Labor Minister says about half the private firms offer a five-week vacation. "Day-off neurosis" is increasing as the days off become shorter. [Details from psychiatrist Toshiyuki Nakayama, head of the psychiatric clinic for Japanese employees, who has found that many people become ill after a break in their daily routine.]

Isolated.

He started to become irritable at work. Sometimes, he was too tired to work. He went to the local library or coffee shops to rest. Eventually, he began making long weekends and began going back to work on Sundays. His irritation increased. He began suffering from stomachaches.

At first, he used to take home extra work to occupy himself, but then he started to feel even more tired. So he began staying up late the night before. He has even begun going back to work on Sundays. He has been away from the normal work schedule for three years. His colleagues are worried about him. They have taken him to a psychiatrist, but he has not improved. "I have no idea what is wrong with me," he says.
NEW YORK — Urban terrorists struck here again on Wednesday night, less than 24 hours after bombing the South African consulate in central Manhattan.

This time, according to police, their target was a plant of the Union Carbide Corporation, a multinational company with mineral and mining interests throughout Africa.

What was described as "heavy damage" was caused to a silicon laboratory in the plant, but no injuries were reported as warning calls enabled police to evacuate the building before the blast.

In Tarrytown, about 45 km north of the city centre, a policeman said police were first informed by a hotel telephone operator.

He said he had received a call from someone identifying himself with the United Freedom Front. The caller warned that dynamite at the Union Carbide building would go off at 9.10 pm.

Police evacuated 10 maintenance workers from the building before the explosion went off at 9.25 pm, causing extensive damage to the four-storey structure, shattering windows and wrecking equipment.

The New York Daily News also received a warning call from an unidentified man who said 45 kg of dynamite would be detonated in the silicon laboratory at the Union Carbide building.

Police believe there is a direct link between the bombing of the South African consulate-general and the bombing of the Union Carbide plant.

They believe that though individual terrorists may claim to belong to different underground organisations, this is a ruse to try to create the impression through the media that there are many, rather than one single body carrying out the attacks.

The group that claimed responsibility for the attack on the South African consulate-general called itself the Guerrilla Resistance but FBI authorities have no doubt that it is just another name for the underground coalition.

One aspect of Wednesday night's bombing being looked at yesterday was the link between the Union Carbide Corporation in the United States and the company's business interests in South Africa.

With the campaign for disinvestment from South Africa heating up throughout the United States, analysts are concerned that the terrorists may have initiated a campaign against companies that are South Africa-related.

A paper prepared for the influential, Washington-based Heritage Foundation says of the growth of urban terrorism in the United States: "This terrorist underground maintains a nationwide system of above-ground support units, propaganda and political fronts and safe-houses. There are indications of links to the Middle East, Cuba, the Marxist states and movements of southern Africa.

"Although several of its members have been incarcerated in the wake of the Brinks crimes (robberies and murders in October, 1981), the underground's principal leaders remain at large. "It constitutes probably the single greatest terrorist threat within the United States," the paper says. — SAMA RNS.
The disinvestment survey

A matter mainly of economics — not morality

political system or via an equally unlikely ANC-led revolutionary overthrow of the existing system, black South Africans would begin the long road to true liberation. In the end South Africa's blacks will judge fundamental change not so much by abstract notions of the right to participate in largely inconsequential electoral processes but by the measurable effects of such changes on their personal economic welfare. South Africa's blacks are, indeed, aware of the interplay of economic and political forces in the rest of Africa which have produced such devastating living conditions on the rest of this continent. They wish to have none of it.

The actual survey produced several findings which at first glance may appear to be somewhat contradictory, but is not necessarily so.

The massive support for foreign economic involvement in South Africa is appreciated because blacks realise, as do other communities in South Africa, that purely internal resources are limited.

Not surprising

Also, the support for free enterprise among the black masses is not surprising to students of South African affairs. Socialism and its continent-wide variations have very rarely been put to electoral test in Africa. Rather, this doctrine remains the intellectual infatuation of the privileged elite but the masses.

What can we conclude about the proclivity towards greater political activism and the impact on the existing political order that this survey uncovered?

Instructive — although the message may, perhaps, never penetrate. The foreigner concerned with South Africa should realise that the black worker is certainly aware of his desperate need to at least maintain but preferably to improve his economic status. The destruction of the economic apparatus will hardly further this need. Those foreigners who call for disinvestment will not be the ones to invest in South Africa once a radical regime has taken charge of the economic holocaust.

It is time for such short-term morally-opportunistic political advice to cease. Blacks deserve much greater respect than that which is demonstrated by such shallow political thinking. Moral posturing may solve immediately a guilt-ridden conscience, but society must advance the interests of all its members with long-range responsibilities.
**Alternatives**

First, while political change is desired, blacks prefer not to link it to a possible disruption of the economic process. Unions are not to be politicised.

Secondly, that the ANC and UDF may be viewed positively and that blacks express anger, impatience and unhappiness, this implies that political subjugation will not be tolerated for ever and that political emancipation may be achieved via revolutionary but also via evolutionary means. Natal's workers were decidedly on the side of Inkatha.

**Major hero**

Blacks may very well perceive that the ANC is the major hero as the radical Left, which is occupied today by only blacks, is in the end the instigator of change in that it has wrested whatever concessions have been coming from the whites. The ANC is a useful political tool, a symbol.

Even the homeland blacks may be beneficiaries of ANC activities as their increasingly disruptive activities will yield greater generosity by Pretoria in order to pacify at least those moderate blacks. Indian's and...
Congress in shock move on SA loans

By SIMON BARBER
Washington Bureau

WASHINGTON — In a dramatic last-minute compromise, Congress yesterday agreed to ban new US bank loans to the South African Government and its parastatals, and to require all American firms in the Republic to report on their employment practices annually.

The agreement came after hours of negotiation between House and Senate conferences on the controversial Export Administration Act. Stretching late into Monday night, the Senate voted flatly against the outcome, and officials said this would urge the President to veto the legislation.

A compromise version of the so-called Solarz Amendment contained in Title III of the EAA. The amendment, proposed by Mr. Solarz, was aggressively opposed by the State Department, which had warned of the danger to the US interests in South Africa. The amendment also imposes conditions on investment in the Republic and on further Krugerrand imports into the US.

The details of the agreement were still open to interpretation yesterday, but according to congressional and State Department sources, the package was as follows:

1. US banks and SA banks may provide no further loans to the SA Government on the basis that existing credits (Euro, Escudos, and SA Airways, for example) under threat of legal and financial penalties. Existing contracts may be honored voluntarily.
2. Participation in the Sullivant Employment Code proposed by Mr. Solarz remains voluntary.
3. However, all US firms and their subsidiaries in South Africa, with more than 50 employees must prepare annual reports of their employment practices for submission to the Secretary of State.
4. While there is no penalty for not reporting, the Secretary of State shall in turn deliver an annual report to Congress in which non-compliers will be named.
5. The Secretary of State shall also appoint a 13-man advisory panel made up of Americans and South Africans to evaluate US employment practices. This panel shall be tasked "ex officio" by the US ambassador and is to include representatives of the Chamber of Commerce in South Africa, trade unions that operate on a non-discriminatory basis, church groups, and the academic community.
6. The US Embassy is to monitor US firms on a day-to-day basis.

The deal was struck between Mr. Solarz and Senator John Heinz, the Pennsylvania Republican targeted by anti-apartheid lobbyists as the weak link in the Senate's opposition to Title III. Heinz, Administration officials were angry at Mr. Heinz's concession. Said one: "He knows damned well we didn't approve it."

Mr. Solarz and the chairman of the House Africa Subcommittee, Mr. Howard Wolpe, described the deal as "gigantic" and promised they would "back it up" next year.

There was still doubt yesterday whether the agreement would become law because of the House and Senate still remained deadlocked on other issues in the Export Administration Act, which must be resolved before Congress recesses tomorrow.

US loans to the SA Government represent about 10% of total US loans to the Republic, or between $60 million and $80 million.
The board of directors of Fannie Mae, the government-sponsored mortgage lender, on Thursday named Ronald S. Reagan as its new chief executive officer.

Reagan, a former California governor and Republican presidential candidate, will take over from William H. Fife III, who announced his resignation last month.

Fannie Mae, which is owned by the government, has been struggling to recover from the housing market downturn and the resulting surge in defaults on mortgage loans.

Reagan, who has been a director of Fannie Mae since 1994, has also served as the chairman of the board of directors of the Government National Mortgage Association (Ginnie Mae).

He has been a leader in the financial services industry, having served as the chief executive officer of the Federal Home Loan Bank of San Francisco, and as a partner at the law firm of Skadden, Arps, Slate, Meagher & Flom.

Reagan is expected to focus on strengthening Fannie Mae's capital position, which has been depleted by the losses it has incurred on its mortgage-backed securities.

He will also need to address the question of how the company will be able to continue to operate in the current regulatory environment, which has been tightened in recent years.

The appointment of Reagan comes as Fannie Mae is facing a number of legal challenges, including a lawsuit brought by the Federal Housing Finance Agency, which is seeking to impose a higher capital requirement on the company.

Reagan said he was honored to be chosen to lead Fannie Mae and that he was confident the company could come back from its current challenges.

"I am grateful for the confidence that has been placed in me," Reagan said in a statement. "Fannie Mae is a vital player in our nation's housing market, and I am committed to ensuring that the company is well positioned to serve its many stakeholders."
Fosatu warns US firm in kwaZulu

By Carolyn Dempster, Labour Reporter
An American subsidiary company operating in kwaZulu has been warned by the powerful Federation of South African Trade Unions (Fosatu) to get its house in order or get out of the country.

Fosatu has accused the company, Tidwell Housing (Pty) Ltd, of exploiting the homelands situation to pay poverty wages and effectively ignore sound employment practices.

Fosatu sent a detailed memorandum to the company's operations and employment practices to the kwaZulu Government, the American labour attaché and major metal unions in the United States.

Fosatu focuses on the "gross injustices" allegedly perpetrated by Tidwell since it started operations in South Africa in February this year.

Tidwell, a manufacturer of light mobile homes, began operating in Danksraai, kwaZulu on February 27, employing between 150 to 200 workers from the nearby Ezakheni township.

Fosatu alleges that the company pays a starting wage of R77 a month, 460 per cent less than the minimum rate required by the Sullivan Code and R277 less than the supplemented living level calculated for Ladysmith in August.

The equivalent starting salary in Ladysmith, "over the border" in South Africa, is said to be R300 a month.

Fosatu also claims the company offers no sick pay cover, no lay-off benefits, no hourly rate of pay, no overtime rate and no service benefits.

It says that weekly hours of work are not fixed and, when employees endeavoured to establish what the rates for hours of work were, they were peremptorily dismissed by the production manager, a Mr Wayne.

Requests by the Metal and Allied Workers' Union (Mawu), an affiliate of Fosatu, to hold recognition discussions with the Tidwell management had met no response.

When the employees took matters into their own hands, four of the five members of the union steering committee and one other worker were fired.

The remaining employees then refused to return to work and they were discharged, said the branch secretary for Mawu.

New applicants were rejected if they confessed to union membership and those who were employed were made to sign contracts of employment containing 25 clauses, the breach of which would lead to instant dismissal, claims Fosatu.

Fosatu said it wished to highlight the massive benefits derived from the homelands situation by a growing number of foreign investors.

Mr J J Rheenbok, managing director of Tidwell, said he could not comment on the allegations as he had been in the country for only three weeks and had taken over the position from his predecessor, a Mr Yee.

He referred The Star to the company's attorney, Mr C Botha.

Mr Botha told The Star the Tidwell workforce was a "happy labour force" and the "least said about the whole affair the soonest mended". He said he had no further comment on any of the allegations.

Mawu filed papers in the Natal Supreme Court this week suing the company for victimisation of union members under labour legislation which still applies in kwaZulu.
The quiet shift in America's blue chip boardrooms

By PATRICIA CHENEY, Washington

A final defeat for SA's arch foe

Republica: Stephen Solarz, South Africa's arch foe in the American House of Representatives, attempted a last-ditch stand this week to get a ban on all US bank loans to the South African Government attached to the briefly-revived Export Administration Act (EAA).

When the Senate, unwilling to let the Bill die, sent the House a Bill dropping the bank loan ban but strengthening a provision to monitor the employment practices of US firms in South Africa, Mr Solarz opted instead to appeal to the full House for approval of the bank loan ban.

In persuading the 435-member House to push the issue with the Senate, Mr Solarz said: "We've tried constructive engagement and it didn't work. Now it's time for constructive engagement."
US Congress drops plan for SA loans ban

By SIMON BARBER
WASHINGTON - There will be no congressional ban on United States bank loans to the South African Government this year. The legislation that contained it died yesterday.

After five months of haggling, the Senate and the House of Representatives finally gave up trying to meld their versions of the Export Administration Act before the Senate went into its final recess.

The Senate, without debate, on Wednesday night after an 11-hour cloture battle, which could have further softened the US Africa provisions - proved unacceptable to the top Senate committee on foreign affairs, Senator John F.日益, Republican chairman of the Senate Banking Committee.

One of Mr. Carter's advisers yesterday termed the so-called Solarz amendment, which contained the South Africa provisions, a "political" defeat, because of its significance.

On Monday night, the conference agreement prohibited US bank loans to the South Africa Government and to require US firms operating in the Republic to report annually to the Secretary of State on their employment practices there.

Asbestos company to lay off 537 staff

Mail Reporter
THB Vistarana cinema in Johannesburg, opposite the Carlton Centre, is to change hands mid-month.

Reming Films managing director, Mr. Heinz Kallenbach, today announced that his company was selling the cinema to Captive Films with effect from November.

Vistarana will remain in being, though probably not as an art house, according to Captive Films.

His own company, Mr. Kallenbach, would continue to distribute its product through Select-Filker and independent outlets.

Ethiopia gets European aid

ADDIS ABABA — Ethiopia has signed an agreement with European aid donors under which it will receive 10,000 tons of wheat for drought-stricken regions in southern Ethiopia, governed officials said yesterday.

This was considerably less than the ban on new investments and compulsory compliance with the Sullivan Act.

Another important aspect of the Bill whose chief intent was to authorize the President to control exports for national economic purposes.

On Thursday, the conference agreement will continue to control exports, allowing emergency powers designed for use in wartime.

But it was too little, too late. Indeed, according to some congressional sources, Mr. Gurney had already decided to kill the Bill, knowing that it would draw a White House veto; whatever, the final language on South Africa.

The meantime, the President will continue to exercise control, allowing emergency powers designed for use in wartime. Mr. Solarz, and his allies will be back again next year.

NEW YORK — The Australian Labour Party Government has firmly allied itself with Africa on the issues of apartheid and independence for South West Africa.

The Australian Nation was given a major address by Mr. Gurney, minister of AFRA, in the House of Representatives.

"After his introductory remarks, South Africa was the only country to which Mr. Hayden turned his attention. South Africa has, he said, 'the most appalling record' in the Commonwealth of Nations.

"The US is a friend of South Africa and ought to be a friend of the rights of South Africa's black citizens."

"In the most poignant and personal of all, the South African people are the first to say, 'We are not in the South West Africa."

Queen to meet 'King' at Sabi

By DAVID CAPEL
SUPERTRAMP Queen aim to meet the King of the African bush next weekend. The four-man outfit who opened their season at Sun City last night on the first stage of their world tour, plan to spend a day in a South African Game Reserve.

A spokesman for the reserve, Mr. Leslie Way, said: "It will be interesting to see whether the Queen would spend Thursday there."

The group will play a number of famous stars who have gone to Sabi for a taste of real Africa.

Ms Simpson said: "We would be treated to the exciting, traditional African cuisine with the help of the whitebait bonfire."

Their programme would begin at lunchtime on Thursday, after which the group would go on a game drive in open Land Rovers.

Early on Friday morning - at 6.30 to be exact - Queen will go on another game drive to discover the nature holes in the area.

The remains of a palm found in a Cheshire were thought to be the cord found around Pete's neck.

London Bureau
THE remains of a rope discovered in London this week, set to replace an apparently scavenger had died.

The oldest human remains discovered in Britain were saved.
Sheraton Hotel sights on SA

By Alec Hogg

THE R5 000-million Sheraton Hotel group is coming to South Africa.

Jerry Morin, president of the Sheraton Management Corporation, told Business Times yesterday: "I can't say exactly when we will set up shop here, but there is no question that we will have a hotel in your country."

The group, which concentrates on development by region, is focusing its attention on Eastern and Southern Africa.

Next step

This is one of the last geographical areas in which the group does not have a strong presence. Since moving outside the US in 1978, Sheraton has developed hotel chains in Europe, the Middle East, North Africa, South-East Asia and Australia.

A R155-million hotel and conference centre, the Harare Sheraton, will open in Zimbabwe next year, and a R28-million development is well advanced in Mauritius.

Future developments include hotels in Swaziland, Angola, Tanzania and Kenya.

Mr Morin said: "Johannesburg is the next logical step."

This is the first visit to SA by the Sheraton top brass, and first impressions have been favourable.

"I'm sure you can't keep the US and nobody would know the difference," Mr Morin said, "if it is a vibrant, growing..."
US, British owners of firm in PE to sell up

BY LOUIS BECKERLING
BUSINESS EDITOR
THE American and British owners of Port Elizabeth-based Carborundum Universal are due to sell their South African investment and withdraw from the country.

Kenecott Corporation of the United States, and Fosco Mines, International, of the UK, have entered an agreement with Murray & Roberts for the sale of the entire issued share capital of Carborundum (SA) Pty Ltd.

Mr "Dave" Brink, chief executive of Murray & Roberts Industrial, the division which will take Carborundum under its wing, said today the transaction "should be concluded within the next month".

He declined to give details of the offer price under discussion.

"If you want a very big ball park figure, you might say it's anything between R10 million and R40 million," he said.

The conclusion of the deal, he said, was "conditional upon certain outstanding issues - we must obtain the necessary exchange control approval, and from their side certain audit reports must yet be presented, but we foresee no problems arising".

No comment could be obtained from Carborundum on the disinvestment by its parent companies, since managing director Mr Peter Van der Merwe was out of town.

But Mr Brink said he envisaged no major management changes, or changes to the existing manufacturing operations of Carborundum. Since no similar company existed within the Murray & Roberts Group, its latest proposed acquisition would be a "pillar standing entirely on its own".

Under the circumstances there was no proposal to consolidate the Port Elizabeth-based manufacture of bonded abrasives with the Reef-based operations of Carborundum, where coated abrasives were manufactured.

Management would be granted "maximum autonomy" and its new owners would restrict their involvement to "perhaps helping Carborundum get further ahead than they have done in the past".

Mr Brink said he was aware of the increasing concern over Port Elizabeth's economic future, but Murray & Roberts already owned a number of companies in the area "so we don't see Port Elizabeth as any different from any other investment area".

Murray & Roberts did not expect the planned acquisition to make any material impact on its earnings during the current financial year.
US says No to sanctions against SA

From ANDREW WALKER
Argus Foreign Service
NEW YORK

A call for United Nations sanctions against South Africa was greeted today with a pledge by the United States that it would not back down on "constructive engagement or back disinvestment.

Responding to repeated criticism at the UN of the Reagan administration's policy towards South Africa, America's alternate ambassador to the world body, Mr Alan Keyes, derided critics and blasted out at "self-righteous myopia"

His reaffirmation of the constructive engagement policy and refusal to bow to repeated calls for disinvestment came only hours after the UN Special Committee Against Apartheid had called on the Security Council to impose mandatory economic sanctions against South Africa.

TRIVIAL

Mr Keyes rejected the notion that all South Africans blacks necessarily supported disinvestment, isolation and economic sanctions.

This attitude had been exemplified last week, he said, by a report submitted to the UN by the Anti-Apartheid Committee listing all US companies doing business with South Africa and criticizing them.

Calling it "trivial", he said it "made no attempt to analyse and weigh the consequences, good or ill, for South African blacks or the struggle against apartheid.

It shows no willingness at all to admit that a foreign corporate presence in South Africa can play a positive role in strengthening the ability of South African blacks to achieve changes in their lives.

ABHORRS APARTHEID

Repeatedly saying that the United States abhorred apartheid, Mr Keyes said, however, that surprise that all blacks reacted in the same way was itself a racist premise.

The "inevitable tide of change" in South Africa had its sources in the daily struggle of South Africans and the critical position of the black worker in the South African economy.

It showed an increasing recognition within the business community that apartheid is incompatible with the requirements of sustaining a sophisticated modern economy.

SCHOLARSHIPS

He cited scholarships, training and business development programmes and drought relief provided to black South Africans by the United States.

Those who assumed that depriving "blacks of "jobs and opportunities weakened apartheid seemed to have lost sight of the daily reality.

Mr Keyes said, the Sullivan principles, laying out employment guidelines for US firms operating in the Republic, had accomplished more really good for ordinary men and women, than all the "invective lists and ritual diatribes" in the Anti-Apartheid Committee report.

Sullivan Code signatories had contributed, $785,000 (R141-million) over the past six years to programmes outside the workplace.

FRONT-LINE

"What is instead of using UN influence to push for real strategies of isolation and disinvestment efforts were made to devise a strange approach aimed at putting pressure on investors in South Africa for changes that would make a difference in the lives of ordinary South Africans.

○ Reagon's foreign policy criticised
**Dismissals: Fosatu to take court action**

THE Federation of South African Trade Unions has filed papers in the Natal Supreme Court applying for an order declaring invalid the dismissal of workers employed by an American company operating in KwaZulu.

According to a spokesman for the Metal and Allied Workers’ Union, which is affiliated to Fosatu, they applied for an order on the basis that the dismissal constituted an “unfair labour practice”.

Fosatu has also sent a memorandum to the KwaZulu government, the United States labour attaché and major American metal unions, alleging that Tidwell Housing Company (Pty) Ltd, an American subsidiary operating in South Africa, was exploiting black workers.

In the memorandum Fosatu says the company was paying a starting wage of R77 a month, 460 percent less than the minimum rate required by the Sullivan Code.

Fosatu has also accused the company of exploiting the homeland labour situation by paying poverty wages and effectively ignoring sound employment practices.

Tidwell, a manufacturer of light mobile homes, started operating in KwaZulu in February this year and employed between 150 and 200 workers from the nearby Ezakheni township.

The union contends that requests to hold recognition discussions with the Tidwell management had met with no response. Employees took the matter up with management, but one of them was fired.

The remaining workers then refused to work and they too were sacked, according to a spokesman for the union.
Firms paying ‘starvation rates’ to black workers

Labour Reporter
THE Fosatu-affiliated Metal and Allied Workers Union yesterday accused certain British and American-owned companies in KwaZulu of paying black workers ‘starvation wages’ and refusing to recognise trade unions.

Mr Jeff Schreiner, branch secretary of MAWU, told a Press conference in Durban yesterday that the trade unions were powerless to take legal action against the companies because of the lack of effective labour legislation in KwaZulu.

The South African Labour Relations Act does not apply in KwaZulu. In 1981, the KwaZulu Government passed an amendment to the LRA. However, whether this is legally valid is in considerable doubt.

Stoppages

For all practical purposes legislation may or may not apply in KwaZulu but in any event can not be enforced because no machinery exists, and to use the law as a union would require the formation of a separate union in KwaZulu, he said.

Industrial action, including work stoppages, as a means of getting employers to accept to reasonable demands of workers often resulted in instant dismissal. Employers would then ‘selectively’ re-engage workers, leaving out union activists, he said.

He said attempts to get the KwaZulu Government to intervene also failed because, he alleged, the Government had given an undertaking to industrialists not to get involved in labour matters as one of the key incentives of attracting industrialists to KwaZulu.

Mr Schreiner said his union was having difficulty with the management of an American-owned Tidewell Housing (Pty) Ltd, based in a ‘border industrial area’ at Peters — outside Ladysmith, and falling under KwaZulu. The second company is Mintex SA (Pty) Ltd which is based at Isithebe.

Mr Richard Lyster, a labour lawyer attached to the Legal Resources Centre, said that a “free for all” situation had been created in KwaZulu by the lack of basic conditions of employment.

‘Employers reaped advantages without any form of minimum wage scales or conditions of employment, resulting in a grossly exploited, underpaid and over-worked labourforce,’ he said.

Higher wage

Mr Lyster said he was bringing an application before the Supreme Court against a company in KwaZulu for allegedly contravening the Wage Act on “criminal grounds”.

Mr R J Rebene, managing director of Tidewell Housing, was not available for comment yesterday.

Mr J A Venter, managing director of Mintex Pty Ltd, said yesterday that his company paid its black workers a ‘much higher wage than the lowest paid workers in the area’.

He denied that his company had refused to recognise trade unions, saying that the recognition talks broke down after an illegal strike. ‘We are still prepared to talk to any union which has the support of more than 50 percent of the workers.’

Mr Venter said there had been no ‘pact’ between the KwaZulu Government and industrialists on non-intervention in labour disputes.
Legal move against US firm over pay

Mercury Reporter
LEGAL action is being taken against an American company, operating in Ladysmith, for allegedly contravening the Wage Act.

Labour lawyer Richard Lyster, who is attached to the Legal Resources Centre, said an application was being brought before the Supreme Court, Pietermaritzburg, against Tidwell Housing.

We allege that the company has contravened a clause of the Wage Act which prohibits a company from victimising people such as trade union activists.

Five people, all elected employees representatives on a steering committee of the Metal and Allied Workers Union, were dismissed in July this year, he said.

The union is supported by a majority of the workforce and it was seeking recognition. The five people were dismissed under circumstances which overwhelmingly suggest victimisation for trade union activities.

Mr. Lyster said the matter would probably come before the Court in about six weeks.

The Union recently alleged that certain British and American companies operating in KwaZulu were taking advantage of the fact that the South African Labour Relations Act did not apply in KwaZulu.

No machinery existed for enforcing what little Labour legislation there was, in KwaZulu and unions were powerless to take action against companies.

The managing director of Tidwell Housing, Mr. R.L. Rebone, would only say that the allegations against the company were untrue.
Fosatu 'backs workers' struggle'

By JOSHUA RABOROKO

THE Federation of South African Trade Unions (Fosatu) has condemned all employers, particularly multinationals and their allies, who continue to take full advantage of apartheid by paying "starvation wages."

In a statement to The SOWETAN, Fosatu says recently two multinationals — Mintax (Britain) and Tidwell Housing (of USA) — refused to recognise its affiliate, Metal and Allied Workers' Union (Mawu) and dismissed all workers on strike and rehired workers at lower wages.

"Fosatu is fully committed to supporting workers in their struggle against oppression," the statement says, adding, "South African companies are taking full advantage of these horrors of apartheid. They dismiss workers and refuse to recognise, or negotiate with unions."

Fosatu's attack comes amid reports by the British Labour Party's research department which revealed that seven of the British companies in South Africa were paying wages below the minimum living level to at least 1 700 workers.

Anger

Another 39 companies named in the report paid wages lower than the recommended Commonwealth Market Level to 9 000 workers in a wide cross section of South Africa, according to the report.

In the statement Fosatu has noted with "concern and anger" the increased efforts to use the homelands policy to further exploit workers.

"Present policy is designed to destroy jobs in existing areas and move these jobs to decentralised areas in the homelands. These areas are designed to be union free zones.

"As Fosatu affiliates have started to organise in these areas they find that companies were promised that there would be no unions in these areas. They find that there is no legislation to protect workers and that homelands have been given power to pass separate legislation.

"This is designed to divide and weaken our existing unions. These policies are clearly designed to ensure the continued oppression and exploitation of South African workers and should be condemned," the statement says.
Unrest sparks bid to step up disinvestment

From SIMON BARBER

WASHINGTON — The latest wave of unrest in South Africa has prompted the Washington City Council to consider stiffening its seven-month-old disinvestment law.

Councilman John Ray, author of the original legislation which prohibits the city from investing in firms that do business with the Republic, is now calling for those firms to be denied city contracts as well.

"There could be no more appropriate time...to withhold this government's support from any company which continues to do business in South Africa," Mr Ray said yesterday.

His new bill requires local government agencies to penalise contract bidders that either have business dealings in South Africa directly, or have investments in other companies with South African ties.

The information is "relatively simple to obtain," Mr Ray said, because publicly held firms are required to list their corporate holdings and business activities with the Securities and Exchange Commission.

Meanwhile, a row is brewing here over the application of the existing law, and what constitutes a relationship with South Africa.

"Mr Ray is challenging the city's decision to entrust the launching of a R300-million bond issue to Salomon Bros., Inc., charging that the New York-based investment house has ties with the Republic.

Minorco, the Anglo American subsidiary, is a major stockholder in Phibro-Salomon, a publicly held international investment banking firm, which in turn controls Salomon Bros.

Meanwhile, SAPA-REuter reports that the United States government has defended its policy of "constructive engagement" with South Africa and said calls to end investment there are fundamentally flawed.

"Will disinvestment, isolation and trade boycotts bring majority rule closer? Will it free Namibia? Will it bring about the change we want and the better life the peoples of Southern Africa need?" asked a US delegate to the United Nations, Mr Harvey Feldman.

Mr Feldman, speaking in a debate by the UN Fourth Committee which discusses issues related to decolonisation, said: "Those who support isolation, disinvestment and trade boycotts seem to believe that high-minded pronouncements observers will somehow compel constructive social and political change...we are very sceptical of the soundness of such an approach."

He said the presence of American companies in South Africa operating in accordance with the Sullivan Codes, which insist on minimum wages and training schemes for black, had proved to be a positive force for change. — SAPA-RNS.
Disinvestment campaign

Unrest sparks new US-Somalia link
WASHINGTON — Outraged by this week's military and police operation in South African black townships, Washington DC city councillors yesterday introduced tough new legislation to punish American companies that do business with South Africa.

If it becomes law — and its promoters are confident it will — the companies stand to lose hundreds of millions of dollars worth of city business.

Earlier this year, Washington DC enacted a law that gave the city pension fund two years to get rid of millions of dollars worth of shares in companies that have South African ties. The law also ordered the city to close its accounts in banks that continue their loan transactions with South Africa.

Yesterday's proposal takes the sanctions further.

It will list demerits of points against US companies doing business in South Africa and these points will be taken into account when the companies bid for city contracts.

A city spokesman explained: "If, say, five companies bid for a city contract and two of them have South African connections, the chances are that the winner will be among the remaining three."

**Money**

The spokesman could not say exactly how much money was at stake but noted that Washington had a two-billion dollar annual budget and that hundreds of millions were spent on building construction, health and medical supplies, equipment such as cars, trucks and electronic items, as well as food and services.

While many American cities and states have passed anti-South Africa resolutions and divestment measures, yesterday's proposal in Washington is believed to be the first of its kind anywhere in the country.

It was scheduled to be introduced early next year when the city council begins a new session. But its sponsors filed it yesterday as a symbolic protest against recent events in South Africa.

Its chief sponsor, Councillor John Ray, said: "We are saying as loud and as clear as we can that we do not support apartheid. This bill is the next step in that process in this city."

The bill will expire automatically when the council session ends soon. But it will be introduced again early next year.

Its passage through the council's government operations committee and the full council by March or April is thought to be a certainty.

The only place where it could be stopped is the US House of Representatives which has to approve the city's financial measures because of the large federal subsidy Washington receives.

But analysts here say that a Congressional veto seems unlikely since the House of Representatives approved the earlier divestment measure and because the House Congressmen, Democrats as well as Republicans, have shown a growing willingness to support sanctions against South Africa.

A Reagan election landslide that brings more conservative Republicans into the congress could alter the picture, but few analysts here expect the Republicans to gain control of the House of Representatives.

The Senate, which is expected to stay in Republican hands, and which has been the chief barrier against SA sanctions so far, plays no role in the city's financial affairs.

**Companies with South African ties are expected to lobby against the new proposal** — but their lobbying failed to stop the divestment law passed by Washington in May this year.
GM to expand investment in SA

IN spite of the campaign in certain American quarters against American investments in SA and the withdrawal thereof, General Motors once again reaffirmed that they are here to stay and to expand their investments annually.

Mr. Paul Morgan-Smith, director of the company from head office in Port Elizabeth, gave this assurance to the Minister of Finance, Mr. Barend du Plessis, in Pretoria.

Discussions

Mr. Morgan-Smith had discussions with Mr. Du Plessis in Pretoria. He was accompanied by Mr. Apie le Roux, the chairman of Apie le Roux Motors, Kemptonpark, and Mr. Pierrie le Roux, managing director of the company, one of the biggest private General Motors dealers in the Republic.

Mr. Morgan-Smith said after the discussions that he was very impressed by the minister's financial policy for the current economic climate.

He said he believes the minister is heading in the right direction.
US firms ‘fear effects of drive for disinvestment’

NEW YORK—Many of the 350 American companies operating in South Africa feel their long-term future could be threatened by the growing disinvestment campaign in America, says an article in The New York Times.

The campaign has alarmed the South African authorities to such an extent that people publicly advocating disinvestment, can face charges under the country’s catchall security laws, writes correspondent Alan Cowell.

Under the headline “Does withdrawing investment hurt apartheid?” the article quotes supporters of both sides.

It notes that American firms which follow the Sullivan Principles on employment practices, have said they employ about 60,000 blacks, who would suffer if the firms were forced to withdraw.

Such firms believe they set an example to other companies through equal employment policies.

But those seeking disinvestment say the successes of the Sullivan Principles are limited because they affect only one percent of the labour force and do not directly attack the white authorities’ ideology of racial and tribal separation,” says the article.

Supporters of disinvestment say blacks would suffer short-term disadvantage if the South African economy were seriously hurt.

The article quotes a recent South African Government statement saying: “Disinvestment cannot provide change at all, but it may well retard it for as Americans well know political progress goes hand in hand with socio-economic advance.”

The statement challenged those advocating disinvestment to prove they had support in South Africa for their campaign.

The article says disinvestment advocates contend that the main impact of disinvestment will be on the running of the South African Government and its enormous security apparatus.

Mr Dumisani Kumalo, projects director of the New York-based American Committee on Africa, a principal disinvestment group, is quoted as saying: “Disinvestment would hurt both black and white people.

“Yet because it will hurt everybody it will put pressure on the South African Government to make fundamental changes.”

According to The New York Times, opponents of disinvestment say it has the potential for revolutionary violence, is unlikely to be effective and could hurt the livelihood of blacks.

Mr Michael Spicer, the director of the South African Institute of International Affairs, says in the article that the disinvestment lobby is not seeking incremental change, but change once and for all.

He says this far outstrips the white authorities’ willingness to comply.

From the Afrikaner point of view it would be suicidal to abandon control because a destructive conflict would follow, he adds.

Those favouring disinvestment might argue that a new order would emerge from the conflict.

“But I am not one of those who believes a phoenix would arise from the ashes,” says Mr Spicer.
Campus votes on firm’s SA ties

NEW YORK — Stanford University students voted yesterday on a referendum that would urge the college to sell $2 million of Motorola Corporation stock, because of the company’s sales, to the military, and police in South Africa.

The vote was taken after a two-day period, which saw a large turnout for the first time on the campus.

The results will be available today.

SA Motorola spokesman said last week from the company’s Illinois headquarters that ‘the electronics firm was opposed to South Africa’s apartheid policies.

Supporters of the Stanford referendum estimate that Motorola sold $2 million of communications equipment to South Africa in 1982.

If passed by a majority of the 13,000 students, the referendum would be an advisory vote to the university Commission on Investment Responsibility and the Board of Trustees to sell the $2 million, worth of Motorola stock.

It would also encourage establishment of criteria for divestment from the university’s portfolio of other companies doing business with South Africa.

Stanford owns more than $41 million worth of stock in 60 companies doing business in South Africa, according to the Stanford Coalition Against Apartheid.

Sapa/AP
Barclays account

Stamford University

CGT told to drop

Heppworth

Votes on disinvestment

with SA

STANFORD - American Study Club

Govan in 1985
the three ruling parties in the tripartite parliament, and not necessarily between government and opposition.

The only other opposition figure to be named is NRF leader Vause Raw as vice-chairman of the Defence committee. Raw is a professed hawk in profound agreement with NP defence policy. His appointment is hardly a concession to progressive reform.

Little is known about Louis Hollander, the House of Representatives MP who is chairman of the select committee on Health and Welfare, and Sobramoney Naicker of the House of Delegates, who is chairman of the committee on Environmental Affairs and Tourism. Their anonymity is a safeguard against controversy, although it might be tempting to persuade Naicker to ask questions about desegregating tourist facilities in the OFS and removing other hurting barriers to Indians.

Chairmen of the remaining eight committees are all senior NP members. One appointment that has raised a few eyebrows is that of Tino Volker as chairman of the important Constitutional Development and Planning committee. While he was a member of Chris Heunis's House of Assembly committee on constitutional matters Opposition MPs say he hardly distinguished himself. Moreover, there are said to be nagging doubts about his NP track record and his loyalty to the P W Botha faction of the party. A major surprise is the omission of glowing verligte Wynand Malan (NP Randfontein). Insiders suspect he overplayed his hand at loji time with a display of weakness in defiance which he attacked sacred cows of Nationalist Afrikanerdom. But his time may come.

The appointment of the rather more cautious verligte Pretoria MP Albert Nothnagel as chairman of the Home Affairs and National Development committee has been welcomed by the liberal English press. This comes as no surprise because Nothnagel, who represents a verligte Pretoria constituency, has worked hard for many years to sculpt an image of sweet reasonableness. He has always been the acceptable face of the NP. He may not be far from a deputy ministership.

Surprise was also expressed by MPs at the appointment of Hendrik Tempel as chairman of the important committee on Co-operation and Development and Education. Although a senior MP, he has shown no special talents in this area. There are lingering doubts among Cape NP faithful about his unwavering loyalty to the P W Botha faction. This could well be his reward for trying to dispel such doubt.

Reservations have been expressed at the appointment of Kleippies Heyns as chairman of the Industry and Commerce committee. On the other hand, the appointment of businessman Dr Jayaram Reddy of the House of Representatives as his vice-chairman has been welcomed on the assumption that this chairman can only benefit from exposure to his deputy.

**URBAN BLACKS**

**Appeal for funds**

Black local authorities are again urging government to boost their "dented image" by providing alternative sources of revenue and so make it possible for them to "stop burdening residents" with increased service and rent charges.

Says Tom Boya, chairman of Daveyton Council and of the East Rand Urban Councils' Association (Eruca): "The situation in the townships is serious. We are unpopular and the recent rent increases have worsened the position. The government must help us. We must be seen by residents to be serving their interests. Otherwise, there's no hope whatsoever."

His association met Gerrit Viljoen, Minister of Co-operation and Development, in Pretoria last week to seek relief. But, it is capable of promising to delay the privatisation of liquor outlets and sorghum beerhalls in black townships, Viljoen merely advised the councillors how to negotiate for other sources of revenue.

The black councils want the development boards to transfer to them all assets falling under local jurisdiction. These include land, buildings, hostels, hostels and trading sites.

"In addition, we would like revenues collected from licences and fines to be paid to the councils," says Boya. "We also want the R2 monthly labour levy paid by employers for every worker. We believe all these, together with proceeds from the sale of liquor and beer from bottleshops and beerhalls in the townships, will go a long way towards solving our problems."

The lack of revenue, which has resulted in councils raising rents, and water and electricity charges, has long been a bone of contention since last year.

In Soweto, the local council threatened to go to court to stop government selling liquor outlets to private enterprise.

**FOREIGN INVESTMENT**

**Border disputes**

Disputes between the National and Allied Workers' Union (Mawu) and two multinationals could reverberate in the campaign to bar foreign investment in SA.

Mawu accuses American mobile home manufacturer Tidwell Housing and the British motor company Leyland Motors of refusing to recognise a representative union and of victimising employees by dismissing them because of their union membership. Tidwell is also charged with paying wages which are one-fifth of minimum rates recommended by the Sullivan code.

The union has demanded that both companies should reform their industrial relations practices or "get out of SA." It has also called on the governments of KwaZulu and the US, and the US union movement, to support its campaign against Tidwell. The company is not a Sullivan signatory.

The dispute is complicated by the fact that there is uncertainty about whether Tidwell, which is located in the Peters industrial area near Ladysmith, is in SA or KwaZulu. The difference is crucial as SA labour law differs considerably from that in KwaZulu which is also equivalent of SA's Labour Relations Act.

But KwaZulu's chief labour officer, Africa Kanhile, says Peters is a "released area," falling under the SA Development Trust, and therefore subject to SA legislation. Other contradictory opinions have been given by the Ladysmith municipality, the KwaZulu Development Corporation and the Department of Co-operation and Development.

Mawu's Natal branch secretary, Geoff Schreiner, says that Tidwell's minimum wage of R10/week and average wage of R25-R30 are the lowest in the area and less than a quarter of wages paid by other companies operating in the same market. This, he believes, has allowed Tidwell to undercut the other companies.

Tidwell's personnel manager, Judy Wade, tells the FM the company is not prepared to recognise the union. Says Wade: "We are doing as much for our employees as anyone else could, and do not need outsiders to make decisions for them."
INDUSTRIAL RELATIONS

Changes since 1979

Activity in industrial relations in the five post-Winchurch years emerges from a study conducted by the University of Stellenbosch’s Graduate School of Business. Led by the school’s Professor "Blackie" Swart, it shows that the manufacturing sector has been the main target for unionisation since 1978 — followed closely by the trading sector and the mining industry.

Swart released preliminary results at the recent Institute for Personnel Management conference. They are based on the response of some 1,500 organisations (mainly companies and local authorities) and 57 unions representing 450,000 workers. Most organisations that responded are large employers. Some 70% of the respondent unions were established groups, although there was some response from the emerging unions.

The Stellenbosch researchers found that 27.3% of the organisations had been approached by unions for recognition of some type since 1979. Of these, 27% were in the mining sector, 57.8% in manufacturing, 14.9% in contracting, 30.5% in trading, 9.8% in finance and 17.8% local authorities.

Says Swart: “These figures give an indication of the extent of the decentralisation which has taken place in collective bargaining away from industrial councils towards individual companies and organisations. We assume that the majority of approaches were from emerging unions, although a union like the Mineworkers' Union..."
Sullivan alters code on firms

Argus Foreign Service
WASHINGTON — The Rev Leon Sullivan has outlined new provisions in his code of fair employment practices that would involve US companies more deeply in South Africa's political and social problems.

For the past eight years, US companies operating in South Africa have been asked to adhere to Sullivan Code principles that refer largely to work conditions and advancement opportunities for blacks.

Each year they are graded publicly on their performance.

The new provisions go much further, attempting to involve the companies in an effort to have all apartheid laws rescinded.

Now, the US companies are being asked to:

- Use their influence to support the right of black businesses to operate in urban areas;
- Influence other companies to follow the standards of equal rights principles;
- Support freedom of mobility of black workers to seek jobs wherever they are;
- Support the abolition of all apartheid laws.

Mr. Sullivan, a black Baptist preacher and social activist who is the main author of the code that bears his name, announced the new provisions at a press conference here when he presented the eighth annual report on the activities and gradings of US companies in the Republic.

He said the companies were being asked to address fundamental issues that would contribute toward social and political justice for blacks.

"It means that they will be lobbying and making presentations at seminars, they will take positions in public and in private, present articles in magazines and periodicals, do whatever they can."

He conceded that a way would have to be found to assess the performances of companies in these areas.

Mr. Sullivan said there was a race against time to bring peace to South Africa.

Although the Sullivan principles were not the total solution, even if all US companies took part, they served as a model for all international companies, gave black workers a platform, and had created a revolution in industrial relations for blacks.

The report was the most encouraging so far, he said. Standards were set higher than before, more companies had achieved higher ratings, and this progress had been made in spite of South Africa's worst recession in 30 years.
Sullivan tightens rules for US firms

The Sullivan Principles, which lay down standards which American companies in South Africa are urged to follow, are to be tightened. The new provisions will attempt to involve the companies in an effort to have all apartheid laws rescinded.

The Rev Leon Sullivan today outlined new provisions in his code of fair employment practices which would involve American companies more deeply in South Africa's political and social problems.

For the past eight years, United States companies operating in South Africa have been asked to adhere to Sullivan Code principles. They refer mainly to work conditions and advancement opportunities for blacks.

Each year they are graded publicly on their performance.

Now the companies are being asked to:

- Use their influence to support the rights of black businesses to operate in urban areas.
- Influence other companies to follow the standards of equal rights principles.
- Support freedom of mobility of black workers to seek jobs wherever they exist.
- Support the rescinding of all apartheid laws.

Mr Sullivan, a black Baptist preacher and social activist who is the main author of the code, announced the new provisions at a press conference in Washington today where he presented the eighth annual report on the activities and progress of US companies.

He said the companies were being asked to address fundamental issues which would contribute toward social and political justice for blacks.

Mr Sullivan said the recent violence in South Africa corro-
Disinvestment is still a threat to SA's euphoria over Reagan

THE South African government was plainly delighted when American voters re-elected President Ronald Reagan overwhelmingly this week.

Enthusiastic chants of "four more years" from Reagan supporters in the United States were obviously echoed in the Union Buildings.

But four more years of what?

American pressure for change in South Africa, both from within the Reagan administration and outside, is building up.

More important, American attitudes are not determined by President Reagan, by his Africa specialist Dr Chester Crocker, by Republican or Democratic politicians or even by the American public.

They are determined by the actions and utterances of President Betta in his cabinet and by the black reaction to events here. South Africa's relations with the American government, American banks and American businessmen and investors depend ultimately on decisions made in South Africa, not in America.

Without reform, genuine and lasting reform in the political, social and economic spheres, those relationships could go very sour long before Mr Reagan's four years are up.

Dr Crocker's policy of "constructive engagement" with South Africa has its advocates and its critics. Its proponents maintain that the only effective way to encourage change is through quiet diplomacy rather than the public moralising of President Carter's administration.

Its antagonists contend that, whatever laudable objectives such engagement may have, it has been seized on by a grateful South African government and used to buy time for apartheid.

Dr Crocker is coming under increasing pressure in America to show the positive results of his approach. He replies that there have been "substantial accomplishments" but that quiet diplomacy by definition excludes public discussion of its successes.

Dr Crocker and his officials maintain that change in South Africa must be a step-by-step process as American-South African dialogue helps create a more favourable climate for change. But, behind the scenes, there must be some frustration that the policy has not been as successful as officials hoped when Dr Crocker took office in 1981.

SWA/Namibia is still not independent and, despite some reforms, there has been little sign of Nationalist willingness to exchange racism and oppression for a dialogue with genuine black leaders.

If constructive engagement is to have any continuing credibility, it will have to become more forceful.

South Africa will expect increasingly pointed reminders of the objectives of constructive engagement. These are not a mere amelioration of apartheid but, in the words of Dr Crocker and others, the replacement of legally entrenched racism with a system of government by consent of the governed.

Then there is the mounting American campaign for disinvestment in companies which do business in South Africa. The Reagan administration managed to block legislation this year which would have banned new US bank loans to the South African government and forced American firms to report annually on their South African employment practices.

The legislation, probably much tougher, will be resubmitted next year.

Whether or not it is blocked again, the campaign for disinvestment will continue to grow in American cities and states. This, and not the official American government attitude, is likely to be the major issue in the next four years.

Five American states and at least four major cities have already enacted legislation restricting or forcing the sale of investments in companies trading in South Africa. Similar legislation will come up in some 40 states and is being urged in 100 or more of America's biggest cities.

The campaign is a massive and based on a re-pugnance of apartheid. Arguments that disinvestment will hurt the black workers it is meant to assist are countered by the contention that economic pressure will in the end be more effective a lever than Dr Crocker's political pressure.

There are those arguing for selective investment and forcing American companies to improve the pay and conditions of their black workers. There are others who say that only by isolating South Africa will apartheid be mortal and so, therefore, is investment in South Africa.

The 1984 campaign might have been won by President Reagan, but it also resulted in the increasing politicisation of American black people by the would-be Democratic candidate Jesse Jackson. And black people do not like their cities or their states to "do business with apartheid".

It is no use South Africans arguing about double standards or telling Americans that their country is changing, that reform is taking place, slowly but surely.

What America and the rest of the world seem to expect for South Africa is a change of image to that of a repressive, authoritarian state.

This is why the future of South Africa's relations with both American government and American business depends on what happens in South Africa itself.

Things will possibly improve after November 28, when the government stops trying to win confidence votes by a display of internal kroondagheid.

But, unless there is real evidence of progress away from apartheid towards genuine black political representation, there will be no change in the foreign perceptions of South Africa.

If euphoric Nationalists were to argue four more years for President Reagan for four more years for apartheid, they will cost the whole country dearly in both political and economic terms.
US interest in SA economy tops R26,5bn — Ironside

By Mike Jensen

TOTAL US involvement in the South African economy amounts to about R26,5bn, according to the president of the Federated Chamber of Industries, Mr Rod Ironside.

He said yesterday there was a popular but inaccurate view that it was only about $3bn to $4bn.

Mr Ironside was speaking at a discussion on disinvestment organised by Barclays Executive Women's Club in Johannesburg yesterday.

He said reliable sources indicated that the US Consulate in Johannesburg had found private US assets in SA to total R26,5bn, including $4bn of US bank loans to SA and $7,6bn of US-owned shares listed on the Johannesburg Stock Exchange.

The latter figure was about 60% of all foreign-owned holdings on the exchange.

At present, international business interests were active in SA to the tune of about R5bn "for the fundamental reason that investment provided attractive returns. Not necessarily as attractive as the years immediately after the Second World War, but still considerably better than many other areas."

Also, SA was regarded as a developed country with unlimited resources to allocate to major sociopolitical reform along traditional democratic lines envisaged by some of its loquacious critics.

There are also other reasons for foreign presence. The European Community and the Japanese are very subtle — trade is the overt reason but geo-politics play a substantial role in the background.

"Africa presents a huge dilemma — it is not, and is hardly likely to become, a continent which will embrace the Western concept of democracy."

"SA is seen as an anomaly on the continent of Africa. Conducting its economic activities in an orderly manner attracts the envy of some states and the opprobrium of much of the world, ostensibly because of apartheid but in reality for other, deeper reasons."

Mr Ironside said the success of disinvestment moves would suffer heavily not only in financial terms but also psychologically and the potential for mass unrest would escalate very rapidly.

Other foreign investors would most likely fill the gaps but that would take time that would not be available.

So a meaningful counteraction of these moves had to be supported by a meaningful reform action to achieve a socio-political modus operandi appropriate to South African cultural and ethnic realities.

"Foremost among the support actions must be economic recovery, industrial growth and lessened dependence on mineral resources revenue."

In any case, the US could not afford to alienate Southern Africa by disinvesting in South Africa — the region's economic powerhouse for the foreseeable future.
Failed

Kia

The company has always believed in cooperation and the need to work together for the common good. However, the company's efforts to maintain a positive work environment have been met with resistance.

The workers have been informed of a proposed increase in production, which could result in a decrease in wages. The company has sought to negotiate a fair agreement, but the workers have been unwilling to compromise.

The company's president, Mr. Joseph Moxon, has appealed to the workers to consider the company's financial situation and the need for increased productivity.

The workers have responded with a series of protests, threatening to go on strike unless their demands are met. The company has advised the workers that any disruption of production could result in legal action.

The company's commitment to maintaining a positive work environment remains unchanged. The company's management team is optimistic that a resolution can be reached through open dialogue and fair negotiation.
Sullivan tries the big stick

DISCIPLES of the Rev Leon Sullivan's employment code for American companies in South Africa are spreading the word.

The 128 signatories of the Sullivan Code have been urged by the Baptist preacher from Philadelphia to convert SA employers to his cause.

Roger Crawford, former co-ordinator of Sullivan activities in South Africa, says recent pleas by SA business leaders could have prompted the call for signatories to preach the message to corporate unbelievers.

He says: "With people like Tabby Bloem and Zac de Beer condemning influx control and urging internal reform, it is possible that Sullivan wants US companies to exert more pressure."

Cosmetic

Mr Crawford, whom is still associated with spreading the Sullivan gospel, believes that some American detractors of SA have been persuaded that Sullivan signatories have taken a leading role in establishing fair employment practices.

He cited the criticism of SA's 'protectionist' activities as cosmetic and do little to combat apartheid.

Mr Crawford says: "We are now being urged, persuaded — and perhaps even forced — to behave in a way alien to the roots of our society as it is."

With a work force of more than 20 million and investment of about R20 billion, Sullivan signatories wield both economic and political clout in SA.

Principles

They include General Motors, Xerox, Colgate-Palmolive, Coca-Cola, Johnson & Johnson and Union Carbide.

Dr Sullivan called on General Motors to pull out of the Eastern Cape after he was appointed to the multinational's board in 1971. When told it was impractical, he devised a code of conduct for US companies operating in South Africa.

The six principles of the Sullivan Code are: desegregated facilities, common medical and pension plans, equal pay for equal or comparable work, training programmes for non-whites, increasing the number of non-whites in supervisory and managerial posts, and improving the quality of life for all workers.

Signatories fill in questionnaires every year which are "audited" by a Boston management consultancy, Arthur D Little, and are rated on their achievements.

Failure

LIKE engineers who fail one subject and fail an entire examination, companies fail the Sullivan test unless they meet its nine basic requirements, which include freedom of association for workers, minimum pay levels and, making Sullivan ratings known to staff.

The minimum pay stipulation is that wages or salaries are at least 80% more than the University of South Africa's minimum living level for a family of five or six, or the University of Port Elizabeth's subsistence level for a family of five or six.

Sullivan signatories, which are holding companies in the US and their SA subsidiaries, are bracketed in three broad categories.

Of 116 companies examined in 1985, 32 were said to be making good progress; 61 were making progress and 23 needed to become more active.

Three of the less active signatories did not pass the basic requirement, 19 had low point scores and 10 did not complete their questionnaires.

Trade unions

This year's report comments on the improved performance of US subsidiaries in South Africa — that compared to the last report, they allow their workers to belong to registered or unregistered trade unions.

There is also a full-house for employers reporting equal pay scales.

Of the supervisory job openings in the year to October 28, 49% were filled by black, coloured and Asians. But whites still hold 95% of managerial positions.

A major feature of the Sullivan principles is its eight task groups which cover employment practices, communications, education, health, manpower development, economic development and housing.

Each group has a representative in SA and there is an overall coordinator in New York and Johannesburg.
Firms with SA links on 'hit-list'

The Star Bureau

NEW YORK - About 20 major corporations with South African links have been warned by the Federal Bureau of Investigation that they were included on a 'hit-list' compiled by a group of revolutionary bombers.

Five suspected members of the radical United Freedom Front (UFF) group have been arrested on charges of slaying a State Trooper in 1981. Documents seized by the FBI in its sweep on the group last month included a list of bombing targets.

FBI agents have warned companies in the New York area that some of the radicals are still at large.

The UFF is suspected of having been involved in 13 bombings in the New York area in the last four years. These include the blasting of the South African Consulate on September 25 this year and the South African Airways office on Long Island on December 16, 1982.

CLAIMED RESPONSIBILITY

The FBI is also investigating connections between the radicals and two bombings at IBM offices over the last two years, as well as the blasting of the Union Carbide Company in Westchester County two months ago.

The United Freedom Front "communiques" to news organisations have claimed responsibility for attacking firms such as Union Carbide because of their links with South Africa.

Other targets included US armed forces recruiting offices. The group is said to have aimed its attacks at big business, American imperialism and "apartheid collaborators/agents.

The five arrested are being investigated on several charges of armed robbery, as well as the shooting of the State Trooper.

Firms on the 'hit-list', which have not been publicly named, include US defence contractors.

Judge overturns disinvestment decision in US

EUGENE, Oregon — A judge has overturned a 1977 decision by the Oregon State Board of Higher Education to sell investments in companies that do business in South Africa, saying the trustees of state funds are obliged to consider economic factors, before political ones.

Lane County Circuit Judge George Woodrich ruled yesterday at the end of a four-day trial that the board's decision broke the "prudent investor" rule, which requires state agencies to consider the income and safety of investments before all other factors.

Judge Woodrich said he did not rule on broader constitutional issues raised by the trial, including whether the state of Oregon can intrude on US foreign policy, noting that such issues are generally left to the discretion of higher courts.

The decision would probably be appealed against, said Miss Julie Davis, president of the University of Oregon student body, one of several student and faculty groups that filed suit to force the state to carry out the higher education board's directive.

The board's divestiture resolution, adopted on November 18, 1977, as a protest against South Africa's apartheid policies, was not implemented after the Oregon Investment Council refused to carry out the directive.

The investment council oversees the investments of the endowment fund and other state higher education funds.
GM's boss defends investments in SA

DETROIT — The current movement in the United States to force corporations to withdraw from South Africa in protest against apartheid was misguided, says the chairman of General Motors, Mr. Roger Smith.

"I have to say I am concerned about the trend that you see now in this disinvestment," the chief executive of the world's largest car manufacturer said here this week.

He said he was concerned about the campaign because many opponents of apartheid failed to recognize efforts by companies working to improve the lot of South Africans who were not white.

"Some people don't distinguish between the companies that are trying to help down there in South Africa to improve the situation and the ones that aren't," he said. "I think that's a mistake."

Anti-apartheid activists have recently stepped up efforts to curtail US investment in South Africa.

Mr. Smith said his company had done "a good job in setting a good example" in offering opportunities to its black workers in South Africa "rather than (being) a sign-carrying lobbyist."

GM assembles cars and trucks in Port Elizabeth, employing about 4,600 people, all but 1,000 of them hourly workers.

Two teenage children of the late US Senator Robert Kennedy were arrested yesterday after taking part in an anti-apartheid demonstration outside the South African Embassy in Washington.

Douglas Kennedy, 17, and his sister, Rory Kennedy, 13, were taken into custody along with a third teenager on charges of violating city codes for demonstrating within 150 metres of an embassy.

What started on November 21 as a small demonstration march outside the embassy has mushroomed into a nationwide political issue involving lawmakers, big unions and civil rights leaders.

In all, 28 people, including nine members of the US Congress, have been arrested on misdemeanour charges outside the embassy during almost-daily marches resembling the non-violent protests of the civil rights era 20 years ago.

"My whole family has been concerned with this issue for a long time," Douglas, a student at Georgetown Preparatory School, said at a news conference before their arrest.

Democratic Senator Gary Hart attended the Press conference and said he was in full support of efforts to change the policy of the Administration of President Ronald Reagan toward South Africa.

Mr. Hart did not court arrest.

In Chicago yesterday, Mrs. Jacqueline Jackson, wife of the Rev. Jesse Jackson, along with Illinois Congressman Gus Savage and Illinois state Senator Richard Newhouse, were arrested in a protest inside the SA Consulate.

They were released later when consulate officials refused to press charges.

Mr. Jackson has been granted a visa to visit South Africa from January 4 to 14. The black civil rights leader plans to seek the release of 21 detained labour leaders there.

He said he would also press for the release of convicted ANC leader Nelson Mandela and other political prisoners.
Disinvestment illegal — judge

EUGENE (Oregon) — A judge has overturned a 1977 decision by the Oregon State Board of Higher Education to sell investments in companies that do business in South Africa, saying the trustees of state funds are obliged to consider economic factors before political ones.

Judge Woodrich said he did not rule on broader constitutional issues raised by the trial, including whether the state of Oregon can intrude on US foreign policy, noting that such issues are generally left to the discretion of higher court.

SAPA/ AP
For SA Links

US Firms Fight
American corporations join forces to oppose sanction moves

Defensive

The Reagan administration, too, is on the offensive and the fight against sanctions will continue. It has been difficult to gain Congressional support for sanctions, and blocking one of the biggest South African crises of the year will not be an easy task.

Offensive

The South African government's 'sizable' campaign against US sanctions has been gaining momentum. The US Chamber of Commerce and the National Business Group have been actively lobbying against the sanctions, arguing that they will harm US interests.

Offensive

If American companies continue to support sanctions, the US government will need to consider other measures. This could include increased diplomatic pressure, economic sanctions, or even military action.
Rand's weakness against dollar creates opportunities

US firms see some bargains coming up

By Bill Levitt

While the US dollar has been outmuscling the rand, it has also kicked open the door for American companies to move into South Africa and acquire financially-stressed firms at bargain prices.

SVP, a company that sells business information and also specializes in mergers and acquisitions, reports that a number of US companies have made inquiries while others have commissioned in-depth market surveys and analyses as preliminary steps to a takeover.

The reason is simple, says Mr Peter Goldberg, one of the firm's directors: the rand has dropped by more than 40 percent in value against the US dollar since September, 1983.

For a dollar, Americans get about R1.85.

"Firms buying in US dollars are effectively coming in at half the price and if they can afford to export and maintain cash flows, they can eventually collect tax rebates at the rate of about R2 for every rand spent if they qualify," Mr Goldberg said.

An example used was a pharmaceutical company said to be one of the largest in the US. It has a subsidiary here solely to market prescription drugs, but the company wants to expand that division and get into the newly allowed generic drug trade.

Mr Goldberg said the company needs to expand its international sales base to pay the hefty research and development costs and the easiest way to achieve that would be to acquire established companies.

While South Africa's market is relatively small, Mr Goldberg says after-tax return on investment for US companies stands at 15 percent - well above the US average.

SVP has narrowed the field and negotiations are said to be under way.

OTHER FACTORS

Although the rand's continuing weakness appears to be the main stimulant for the takeover moves, there are other factors that have contributed to it, said Mr Goldberg.

- Businessmen here have never had to worry about foreign exchange. Now they must cover forward and few understand the concept enough to apply it effectively.
- Banks have not yet acquired the expertise and have had difficulty offering timely advice.
- Businessmen have never really had to worry about cash flow management. Now that the prime rate has shot dramatically to 23.5 percent, it has become a crucial factor and many more insolvencies are unavoidable.

"The economy has changed to such a degree that many medium-sized companies cannot cope anymore."

Some labour-intensive industries have moved to the "decentralised zone" but there are other problems - including high turnovers from unskilled workers and low productivity.

"One hurdle facing potential foreign investors will be tax laws which limit the borrowing capacity of foreign-controlled firms depending on the company's South African interest.

The more a company is controlled from outside, the less it can borrow against its share capital."

"The object is to force foreign companies to bring in overseas financing and keep more of the profits in South Africa."

But given the favourable rand/dollar exchange and the group's sophisation of the South African economy, Mr Goldberg says the time is ripe for foreign companies to "especially in the services sector where policies are not a factor."
'Bitter tone' seen in divestment campaign

JOHANNESBURG — The divestment campaign against South Africa in the United States has accelerated "beyond expectations" in recent years and is now reaching dangerous proportions.

This is stated by Professor Carl Noffke, director of Rand Afrikaans University's Institute for American Studies.

In a special paper for SA Forum on the divestment campaign, Professor Noffke said: "The tone of the highly visible campaign has become bitter. The success of the small number of anti-South Africa protesters in the US House of Representatives to force their will on the majority is one of the most disturbing events in US-SA relations in the past two decades."

The American divestment campaign was mastered in New York and Washington by a small number of groups, "forming the spearhead of an increasingly well-funded and orchestrated movement to cripple the South African economy."

"The divestiture campaign is now directly directed out of the offices of the American National Council of Churches and its Investor Responsibility Research Centre plays a key role," Professor Noffke said.

Resolutions passed at this year's Democratic convention in San Francisco and the British Labour Party Congress in Blackpool were clear indicators of the future course of the campaign.

"It is also being extended to Commonwealth countries and the aim is to restrict trade and contact with South Africa, on a point by point basis, until total isolation is finally achieved."

"Divestiture had become synonymous with anti-Apartheid sentiment and the anti-South Africa lobby also reflected the considerable degree of those forces in the West opposed to free enterprise and to Western military supremacy."

"Similarly, such forces oppose the efforts by the present US administration to assist pro-Western governments and parties in conflict areas."

"It is important to note that the proponents of divestiture are not motivated by the political and economic changes in South Africa," Professor Noffke said."

"In fact these changes are being ignored by her critics and the intentions of the chief activists have become quite clear. The aim is not to exert pressure on South Africans to improve the quality of life of the South African black population and to expand political participation, but rather to undermine and finally destroy the South African economy."

"What is actually at stake is the free enterprise system. Proponents of divestiture should be challenged firmly on these premises, thereby ensuring understanding of the actual issues involved."

"Apart from the threat to the free enterprise system, Western security and military and economic interests are being threatened by these moves."

"An effective boycott of South Africa would seriously harm, or even exclude, access by Western countries to the considerable natural resources of South Africa. Such a boycott would threaten the Cape sea route — one of the globe's key naval choke points — and would shake South Africa's Rand Arabella."

"A boycott of South Africa would cost Western countries $50 million jobs including $20 million in the UK alone, and 10 percent of all British overseas direct investment is in South Africa—add this to indirect investment and 11 billion sterling would be at stake."

However, the Reagan administration remains firmly opposed to divestment, Professor Noffke said.

The divestment proponents resented the Reagan administration's policy of constructive engagement, contending that it assisted rather than challenged the South African Government.

"These groups ignore the three basic realities which underpin the Reagan administration's regional strategy for Southern Africa."

"The first reality is the recognition of the fact that nearly 38 billion dollars, or about 60 percent of direct US investment in sub-Saharan Africa, is concentrated in the southern third of the continent."

"The second reality is that Southern Africa is an increasingly contested area in world politics. South Africa's role as a destabilizing force and a catalyst for regional development has also been accepted."

"Moreover, the available evidence suggests that the debate has not adversely affected business decisions to expand in South Africa. In the 15 years from 1976 to 1991, for example, the value of American investments by US corporations has been triumped by more than quintupled — a rate of growth exceeding that of total American global investments."

"However, South Africa is steadily losing the global propaganda and psychological battle in spite of the immense progress in the field of political, social and economic changes which has been achieved in recent years," Professor Noffke said.

SAPA
US campaign ‘turns bitter’

JOHANNESBURG—The divestment campaign against South Africa in the United States has accelerated 'beyond expectations' in recent years and was now reaching dangerous proportions, according to Prof Carl Noffske, director of Rand Afrikaans University's Institute for American Studies.

In a special paper for SA Forum on the divestment campaign, Dr Noffske says: 'The tone of the highly visible campaign has become bitter. The success of the small number of anti-South African activists in the US House of Representatives to force their will on the majority is one of the most disturbing events in US-SA relations in the past two decades.'

The American divestment campaign was masterminded in New York and Washington by a small number of groups, 'forming the spearhead of an increasingly well-funded and orchestrated movement to cripple the South African economy.'

'The divestiture campaign is centrally directed out of the offices of the American National Council of Churches and its Investor Responsibility Research Centre plays a key role,' Dr Noffske says.

Important

'It is also being extended to Commonwealth countries and the aim is to restrict trade and contact with South Africa on a point by point basis, until total isolation is finally achieved.'

Divestment had become synonymous with anti-South African sentiments and the anti-South African lobby also reflected to a considerable degree those forces in the West opposed to free enterprise and to Western military supremacy.

'It is important to note that the proponents of divestiture are not in the least influenced by the political and economic changes in South Africa,' Prof Noffske says.

'A boycott of South Africa would cost Western countries 500 000 jobs including 250 000 in the United Kingdom. Almost 10 percent of all British overseas direct investment is in South Africa — add this to indirect investment, and 21 billion sterling would be at stake.' — (Sapa)
A Mediator has failed to settle a wage dispute between the Commercial, Catering and Allied Workers Union (Ccawusa) and an American company operating in South Africa, 3M.

Increase

3M has offered the bargaining unit an R80,50 per month across the board increase, effective from January 1 for a period of one year to January 1986. This represents a 20 percent increase for the lower paid workers.

The union is demanding an increase of R100 across the board, effective from January 1, 1985 for a period of one year.

The union's spokesman said that management was not prepared to meet their demands. The parties have been involved in wage negotiations since October.

Fighting

We shall continue fighting for our members' rights in the plant and hope that the dispute will be settled soon," the spokesman added.

3M's public relations officer, Mr Deetle Jansen, confirmed that the mediator had been unsuccessful in settling the matter.

Meanwhile, Ccawusa has declared a dispute with giant supermarket, Checkers. The issue was also referred to mediation which is due to begin next week.
US business 'a force for change'

WASHINGTON.—As the United States President, Mr Ronald Reagan, denounced South Africa's racial policies, American businessmen this week said anti-apartheid demonstrations in the United States had not changed their view that US investment could be used to promote racial equality in the Republic.

"We continue to think we are part of a constructive force for change in that country," said Mr Roland Williams, a spokesman for Ford Motor Company, in Dearborn, Michigan.

The business community generally agrees with the Reagan administration that US companies in South Africa can encourage change in South Africa.

Mr Reagan, meanwhile, denounced racial discrimination in South Africa and human rights abuses throughout the world as "affronts to the human conscience".

In a speech commemorating International Human Rights Day, Mr Reagan urged the government and the people of South Africa to move towards a more just society.

A Reagan administration official said the speech marked a slight deviation in Mr Reagan's policy of pursuing change in South Africa through quiet diplomacy.

At the same time, the administration appeared to give tacit support to the 1960s-style anti-apartheid demonstrations taking place around America.

Sympathy

Although several businessmen refused to comment directly on the protests, Mr Williams echoed many when he said Ford sympathized with the demonstrators insofar as they were "against apartheid and we're against apartheid".

Mr Ronald Reagan

He added: "We think our presence in South Africa is good for all South Africans.

While trying to encourage non-discrimination in the workplace, the business community is generally against any type of economic sanctions against South Africa.

Since November 21, demonstrations have occurred almost daily at the South African Embassy here, as well as at consulates around the United States. Altogether, more than 80 people have been arrested on charges of civil disobedience, including 13 members of Congress.

A group of Jewish leaders and 32 marchers supported the anti-apartheid movement yesterday.

"We have felt the lash of servitude against our backs that is now against the backs of blacks" in South Africa, said Rabbi Alexander Schindler, president of the Union of American Hebrew Congregations.

On Sunday, four ministers were among the 40 people arrested at the South African Consulate in Seattle, Washington, where about 400 people marched against apartheid.

Most of the 150 or so US companies doing business in South Africa adhered to the voluntary Sullivan Principles that require firms to practise non-discrimination in training and pay scales, among other things.

Window-dressing

Businessmen contend that the principles have helped improve conditions for black employees in South Africa. "We have reasonable personnel practices," said Mr Al Rankin of the Marriott Corporation.

But critics, such as South African labour organizer Mr Mike Murphy, say the principles amount to "window-dressing".

"American investment in South Africa totals roughly $2.5 billion (R4.2 billion), about one percent of all US investment overseas, according to the National Association of Manufacturers.

The US Chamber of Commerce last year opposed a proposal passed by the House of Representatives that would have barred new US investment in South Africa. It may do the same next year.

Last week, according to spokesman for the NAM and the US Chamber of Commerce, business groups discussed the situation in South Africa at a meeting in Washington.

To some degree, the question of new investment was not a major issue, because very few companies had committed new resources to South Africa in the past few years, said the NAM's Mr Steve Cooney.

One reason was that the "South African economic activity has been flat" for a couple of years.

Questions about South Africa's political future had also played a role in the slowdown of US capital movement into the Republic, said Mr Fred Stokeld of the US Chamber of Commerce.

SAPA-AP
INTRODUCTORY REMARKS BY AMBASSADOR HERMAN W. NICKEL AT SENATOR EDWARD M.
KENNEDY'S LUNCHEON MEETING WITH THE SOUTH AFRICAN AND AMERICAN BUSINESS
COMMUNITY, IN JOHANNESBURG, JANUARY 8, 1985

EMBARGOED UNTIL DELIVERY — CHECK TEXT AGAINST DELIVERY.

Senator Kennedy, Congressman Fowler, distinguished guests, ladies and
gentlemen,

It is a great pleasure to be with you today and to play a small part in
what promises to be a memorable occasion. It is significant in itself that
this gathering has brought together, under the aegis of the American Chamber
of Commerce, leading figures representing the full spectrum of the South
African business community from the AHI, ASSOCON, the FCI and NAFOC.

The person whose visit to this country has provided the catalyst for this
gathering is, of course, a distinguished fellow American, the senior Senator
from the Commonwealth of Massachusetts, Edward Moore Kennedy. As bearer of a
proud name that will forever be linked with the history of our country,
Senator Kennedy is truly one of those people of whom one can say that he
requires no introduction, and that is why I won't waste your time or mine
recounting his remarkable public career.

Sir, as the representative of the President of the United States in this
country, and on behalf of everyone here, let me just extend to you a very
sincere welcome, and thank you for devoting time on your whirlwind tour to
meet with the business community of this country and sharing your thinking
with them. By your appearance here today you acknowledge the critical role
which the business sector has to play in moving this country, peacefully,
toward a more just and prosperous and — hence — more stable society.

I am quite certain that this proposition is accepted by all the
businessmen in this room. They know, as well as anyone, that the stark
demographic realities of this country and this region make sustained economic
growth an overriding imperative. This economy needs to create 250,000 new
jobs a year if black unemployment, and all the misery and bitterness that go
with it, are not to spin out of control. They know that without that growth,
the awesome gaps in the fields of education and housing will not be closed,
but will grow even wider.

All this gives an ominous meaning to the present bleak outlook for this
economy. As you, Senator, have never failed to point out in the context of
our own situation at home, it is the economically weak who are the most
vulnerable to economic downturns. The difference in South Africa is that the
weak lack effective representation and participation in national government.
The notion that an economic squeeze, aggravated by foreign disinvestment and
bans on new investment, will force the government to grant such participation
and accept a radical transfer of power strikes me as thoroughly unrealistic.
As a well-known critic of apartheid, Professor Hermann Giliomee, put it the
other day, the more likely scenario would be that a white government would use
its credit to prop up the declining living standards of its own constituents,
leading to greater polarisation and more violence, both of the repressive and
revolutionary variety. Clearly, this is not the scenario of peaceful
change.
Correction

Add following two paragraphs after paragraph one of page two:

The notion that once the investment tap has been turned off, it can be turned on again at will after the political objectives have been reached requires more than a normal dose of economic naivete. And all the while, the demographic pressures will continue to rise mercilessly.

To adopt a policy that would quite coolly and deliberately reduce job opportunities seems an odd, not to say perverse, way of expressing solidarity and support for the tens of thousands who flocked to Crossroads in a desperate search for work.
But even if capital were not a problem, the healthy development of this economy, so critical to this entire region, will not take place without a massive effort to develop South Africa's human resources. Again, I believe that the business leaders of this country understand the role they have to play in this area. Without efforts to train blacks for responsible and skilled positions, the necessary growth of this economy simply cannot be sustained. I am pleased to say that the American business community, in the context of the voluntary Sullivan code of fair employment practices, has been in the forefront of this endeavor. To be sure, this is not just altruism, but a matter of enlightened self-interest. Employers who invest in the training of their employees also have an interest in a stable work force of permanent residents, as distinct from that hapless creature of apartheid orthodoxy, the "temporary sojourner". You saw some of the worst remnants of this area in a migrant workers' hostel on Sunday, and I completely share your indignation that such conditions are still allowed to persist. Business has every reason to demand that their employees be given the right to live near their place of work, and with their families. It is no accident that the Urban Foundation, which is supported and financed by the business community, has led the fight to open up the opportunities for black home ownership, and to replace influx control with a positive urbanization strategy. Underlying this activity is the realization that the free enterprise system will survive in this country only if the majority of this country can fully participate in it and reap its rewards. The plain fact is that racism is incompatible with both the ethic and the practical requirements of a free economy. Indeed, I would submit that perhaps the most significant single catalyst for change in this country has been the realization that a growing industrial society cannot function in the political straitjacket of an essentially pre-industrial political ideology. That is why measures whose effect it would be to retard this dynamic and to reduce the economic leverage of blacks, both as producers and consumers, strike me as a singularly wrong-headed way to fight apartheid.

As someone who joined the NAACP in 1948 and witnessed the dramatic integrating effect which industrial growth had in transforming the Old into the New South, I am surprised at the refusal of so many civil rights activists to accept the relevance of this lesson to the South African situation. It certainly impressed itself on Andrew Young, whose seat in the House is now held by Congressman Fowler.

I trust, Senator, that you believe me that I do not offer these observations in any spirit of partisanship, for they bear no partisan label. We Americans are used to a tradition of rigorous, often adversarial debate, and that is how it should be. But sometimes this tends to obscure—to ourselves and to people abroad -- a remarkable continuity and unity of purpose. I would submit that this is very much the case with our policy towards this part of the world. That is not unnatural: national interests do not change from one Administration to another. Like successive Administrations that preceded it, this Administration has an interest in the stability of Southern Africa -- and this includes the internal stability as it does stability in the relations between South Africa and her neighbors. But let me hasten to add that this interest in stability rules out support of a
status quo in which 73 percent of the population are excluded from the central processes of government on the basis of race. Such a system is not only incompatible with our interests in stability, it is also incompatible with our fundamental national values. By the same token this Administration, like its predecessors, remains committed to the concept of peaceful change, since the human, economic and political cost of an apocalyptic scenario would simply be too horrible to contemplate.

So, let us reaffirm our unity of purpose. Let everyone take note that there is no constituency for racism and apartheid in respectable American politics.

As we enter an intense debate about U.S. policy toward South Africa, it is as important for Americans as it is for South Africans to keep this fact in mind. I remember only too vividly a dark period in our not-too-distant past when anyone who did not conform with a particular brand of anti-communism ran the risk of being labeled -- and libeled -- as being "soft on communism". We do not need a repeat of this sordid chapter with respect to our policy towards South Africa. The real issue is not who is "soft on racism", but how the United States can best use its influence to advance the delicately interdependent process of peaceful change in South Africa itself, and peaceful change in the relations between South Africa and her neighbors. We are confident we are on the right track.

This is an issue on which women and men of conviction and integrity can differ. But let us conduct this debate with the seriousness which the subject deserves, remembering that indignation is no substitute for policy and that anger and self-righteousness are often poor counselors. Important as it is that South Africans, both black and white, clearly understand our American purposes, let us remember that the success of policy is not measured in decibels.

Let us learn from recent experience that to raise expectations on one side of the spectrum on which we then can't deliver, while provoking defiant resistance on the other, does not serve our common purpose. And let us conduct our debate with humility knowing that we are neither omnipotent nor omniscient. Simple nostrums do not solve complex problems. And let us be honest enough to acknowledge that the problem is full of moral ambiguities, with the result that no one can claim moral purity. How else can one explain that such implacable opponents of apartheid as Desmond Tutu and Gatsha Buthelezi, as Alan Paton and Donald Woods differ so profoundly on the moral and practical implications of economic sanctions and disinvestment? What is intended as a moral statement by some is seen by others as morally unacceptable in its practical consequences. Like so many things, policy towards South Africa involves agonizing trade-offs.

In this spirit of free and fair debate, it is my pleasure to ask you now to address this distinguished audience.
Sullivan talks of ‘organised defiance’

The Star Bureau

NEW YORK — The Rev Leon Sullivan, who has sought to regulate the employment practices of US companies in South Africa, surprised reporters after a meeting with company executives in New York yesterday.

He claimed that US representatives of 138 American firms in South Africa had reached an agreement: “You can call it organised defiance of the system,” he said.

“It is a new arena. It has never been done before.”

Mr. Sullivan, whose employment code is followed voluntarily by most US companies operating in South Africa, said a resolution to this effect proposed by him had been adopted at the meeting with acclamation.

“I am encouraged and believe we have the unity and strength to create a tremendous impact,” he added.

“There will be resistance by these corporations in South Africa once they realise what it entails.”

Most of his lobbying efforts, such as pressing for integrated housing for black and white workers, would run counter to South African law.

Mr. Sullivan, who is on the board of General Motors, also said that he planned to encourage US firms to support black workers seeking jobs in white areas.

The Sullivan principles have been adopted by 135 of about 350 US companies operating in South Africa.
SA blacks need our cash, says US study

By Neil Larnsen,
The Star Bureau

WASHINGTON — A new study to be published next month has found that most blacks in South Africa do not want American firms to withdraw their investments.

Its author, Mr. Richard Sincere of Washington's Ethies and Public Policy Centre, says the study shows that most blacks are unhappy about South Africa's race laws.

They hope that American and other foreign investors can help them to eliminate apartheid.

Mr. Sincere's statement was immediately challenged by organizers of America's anti-apartheid demonstrations who claimed that blacks did not support disinvestment openly because it was an indictable offence in South Africa to do so.

In a sharp exchange during a programme on Washington TV, Mr. Sincere scored points over Mr. Walter Fauntroy, co-chairman of the Free South Africa Movement which is behind the demonstrations and supports disinvestment.

Mr. Fauntroy accused Mr. Sincere of being part of a well-financed effort to influence American public opinion.

The study, he said, was bogus and lacked scientific validity.

But Mr. Fauntroy, a member of Congress, had no reply when Mr. Sincere said he could not have seen the study because it had not yet been published.

Five more protesters have been arrested outside the South African Embassy in Washington to bring the total to 48.
apartheid moves on
plan new
US firms

69

Can Trees Survive
in South Africa?
Disinvestment move fails in city council

Washington’s metro rail to have SA tieup

By Neil Lurseen
The Star Bureau
WASHINGTON — An American partnership involving a construction company which has financial ties with Franki-Deniys in South Africa yesterday won a $26 million contract for work on Washington’s metro rail system in spite of protest by Washington DC city councillors and anti-apartheid lobbyists.

The partnership, Harrison-Western Corporation and Franki-Deniys Inc, was the lowest bidder for constructing twin tunnels to pass under a river as part of the city’s ultra-modern commuter rail network.

The bid became controversial because of deep animosity here towards South Africa’s racial policies.

The Washington DC city council enacted anti-South Africa disinvestment measures earlier this year and has plans to tighten them next year.

TYPICAL CASE

Although city councillors opposed the partnership’s bid, the city’s two delegates on the metro board of directors voted to award the contract because the board was obliged to accept the lowest bid and advance declaration of ties to SA was not a requirement in tenders.

One of the city delegates was Councillor Hilda Mason who last week was one of the protesters arrested outside the SA Embassy in Washington.

Metro chairman John Milliken said yesterday he had been advised that Franki-Deniys in South Africa was committed to non-discriminatory employment.

The squabble over the metro contract offers a good example of the difficulties faced by American legislators that seek to divorce themselves entirely from US enterprises having anything to do with South Africa.

A city official who investigated the SA connection in this case said Franki-Deniys is half-owned by Franki Foundation, a US subsidiary of Franki International of Belgium.

Franki International’s subsidiary in South Africa is Franki-Deniys SA Investments, a holding company for three firms involved in building construction, the official said.

“It takes time to unravel these things,” the official noted.

Mr Milliken said after yesterday’s board decision that his staff had concluded that the relationship between Franki-Deniys and the South African companies was “very remote”.

But not remote enough, apparently, to escape the ire of the Maryland Minority Contractors’ Association which first brought the relationship to Mr Milliken’s attention and which complained to Washington city councillor John Ray who is the prime mover of the city’s disinvestment measures.

Mr Milliken said the metro board had met twice to consider this “difficult and complex” issue and had been assured by its lawyers that awarding the contract to the partnership would violate no local laws.

He said his staff had also established that Franki-Deniys had non-discriminatory policies in the US and that the SA companies were committed to the Sullivan principles of fair employment.

Nevertheless, he ordered the metro staff to develop a policy about SA-connected companies for the future.

“This is an issue of great concern to the board and of utmost sensitivity to this community,” Mr Milliken said.

The tunnels will be part of an extension of the metro rail system to southeast Washington which has a heavy concentration of black residents.

A spokesman for Councillor John Ray said last night that he was “disappointed” at the awarding of the contract and that many people had contacted his office to complain about it.
US firms silent on Sullivan campaign

By Gary van Staden, Political Reporter

Four of the biggest American-based multinational corporations operating in South Africa were not prepared to comment today on the latest salvo in the campaign by American Congressman Leon Sullivan to use big business to fight apartheid.

Mr Sullivan said yesterday that American representatives of 128 multinational corporations in South Africa had agreed to defy the apartheid system.

"You can call it organised defiance," he added.

But four of the biggest corporations operating in South Africa - General Motors, General Electric, Ford and IBM - were silent on the latest Sullivan plans.

ADOPTED

Mr Sullivan, whose employment code is followed voluntarily by most American companies operating in South Africa (including the above four), said that a resolution to defy apartheid laws such as the Group Areas Act and influx control had been proposed by him and adopted at a meeting of the 128 representatives in America.

"I believe we have the unity and strength to create a tremendous impact," he added.

But, in South Africa, it was a different story.

The giant computer company IBM said that, as it had not had a chance to study the Sullivan statement, it could not comment at this stage.

A spokesman pointed out that IBM had a policy of respect for the individual and subscribed to the Sullivan Code.

A spokesman for General Electric said he was unaware of the development and was not prepared to comment.

Ford's head office in Detroit said there was not enough clarity on the issue to make any comment at the moment.

General Motors said the Sullivan statement would have to be examined before any comment could be made.
More US cities to disinvest

NEW YORK — Nearly a dozen US cities are following the example of universities that are protesting against South Africa's racial policies by selling millions of dollar in stock of firms doing business in the Republic.

Anti-apartheid college protests and investment boycotts have gone on for years. The university of Wisconsin, for example, hasn't owned stock in such companies since 1978.

But renewed student protests, the awarding of the Nobel Peace Prize to Bishop Desmond Tutu and concern over political prisoners in South Africa have spurred more universities to re-evaluate investment policies.

Cornell University and the University of Illinois are among higher education bodies studying what divestment of stocks in companies with South African dealings would mean to their portfolios.

Stanford University is considering whether to act on an October 31 student referendum urging it to sell $3.2 million worth of stock in the Motorola Corporation electronics company because of its sales to the South African military and police.

Regents of the University of Texas, which has about $500 million invested in such companies, are scheduled to discuss the issue today. Texas students rallied twice this year to protest against their university's holdings.

Now cities and municipal pension funds with multi-million dollar portfolios have joined universities in adopting or considering similar disinvestment policies. According to the Washington Office on Africa, an anti-apartheid lobby, 11 cities have recently adopted policies to divest some or all of their holdings in companies with South African operations.

The cities include Boston, Massachusetts; New York, Philadelphia, Pennsylvania; Wilmington, Delaware; Washington, Ann Arbor, Michigan; San Francisco, Berkeley, Davis and Santa Cruz, California. — AP-AP.
Many South African Companies are becoming increasingly aware of the stark realities of post-Apartheid US disinvestment, which would, among other things, severely restrict the supply of capital to this country. Some say the Sullivan code of conduct has been the driving force which has motivated businesses in South Africa to do the job of blacks, thus helping to appease US critics. Others see the code's negative effect and claim such efforts would have been made anyway.

Despite President Reagan's recent favourable comments about the South African move towards equal pay and job opportunities for blacks, the threat of US disinvestment is increasing daily.

More than 20 American cities have so far passed some form of restrictive legislation, 24 states and cities considered disinvestment legislation this year, and 40 are expected to do so next year.

Such laws include a boycott of the supply of Krangerrands, a ban on exports to South Africa of arms and computer equipment, the disinvesting of Southern African Airlines from the US, and the withdrawal of pension funds invested in stocks of companies and banks doing business with South Africa.

In New York it is estimated that more than US$2.65 million of pension fund monies are invested in South African-related companies, and, in all, the city retirement fund has about $32 million invested in companies doing business with South Africa.

In August this year the trustees of New York City's pension fund voted to disinvest from companies which are not signatories to the Sullivan code of conduct whereby US companies represented in South Africa are rated on their efforts to raise blacks economically, educationally and socially.

Since companies are becoming more and more aware of the stark realities of post-Apartheid US disinvestment as, with or without the push of the Sullivan Code, they strive to do better the lot of non-white South Africans.

IBM's managing director Jack Clarke said at this year's annual meeting of the Graduate School of Business at the University of Dublin-Waterford: "The history of Africa has shown that the black man was not just accept free enterprise at its face value, and why should he? So far we have excluded him from all the benefits, perks and privileges, which are the rewards and incentives of free enterprise," he said.

Clarke said that the laws affecting the right of a person to sell his labour must be abolished and that the laws restricting trading rights in central business districts must be eradicated.

"Laws which force a person working in a First World environment at the office to return to the depopulated Third World climate when he goes home at night must be changed," he said.

Several large SA computer suppliers are signatories to the Sullivan principles, and between them they spend millions of rand each year on projects which benefit black community.

Such projects include a scheme whereby companies adopt schools in the black townships and, among other things, provide finance for increasing the level of training of black teachers. There are about 950 schools which have been adopted in this manner throughout South Africa and of these, the US business community supports about 150.

Sullivan signatories are not the only ones who are involved in such projects. Many SA companies have their own codes — written or otherwise. One such company is Barlow who, according to its director of personnel and industrial relations, Ronald Hofmeyr, has spent several millions of rand on similar efforts.

"We formed our own code in 1973 because of the interest aroused by the Sullivan and EEC codes and, while we didn't agree with everything laid out in those codes, we liked the underlying concepts," he said.

Among representatives of computer suppliers who were interviewed on the Sullivan issue, the general opinion is that while some companies would have been come involved in such projects anyway, the Sullivan Code has acted as a catalyst in creating a sense of urgency and a need for constructive action.

On the negative side, some feel the minimum-wage limit set down by the Sullivan Code has encouraged some companies to get rid of lower-paid staff such as clerks and messengers in favour of hiring contractors to do the job. Others argue that raising minimum wages without demand for increased productivity in return encourages the "paternalistic syndrome" where the notion is one of concrete solving, which destroys the initiative to work hard.

The scoring of "Brownie points" is another issue which some Sullivan signatories feel strongly about. They claim that in order to gain a decent rating, some companies have spent money without regard to the cost benefit to the community.

The criticism here is that a lot of money is put into bricks and mortar, because the US sees this as concrete proof that something is being done; but meanwhile bricks and mortar do not develop human beings.

One executive singled out the Pace project — a college built recently in Soweto, housing 600 pop- utes — as an example of this. Pointing out that he did not want to derogate the work done, he said that if the R6.5 million spent on the school had been used to improve the teaching skill of 500 black teachers, those teachers in turn could have taught 500 children each and that way 1800 black children could have been educated.

Pride is possibly responsible for much of the criticism levelled at the Sullivan Code. As a representative of one of the hardware suppliers put it: "Being a chauvinistic South African I object to the fact that it took a black American to get us off our backside..."

In some cases there is considerable resentment over the enormous burden of administration involved in completing the stringent annual reports demanded from each of the 120 signatories. And US-repre- sented companies are having a hard time resisting mounting pressure from Sullivan in order to make the code mandatory.

When the black American pioneer Leon Sullivan was elected to the board of General Motors in 1971 he announced his...
Blacks will not just accept the free enterprise system at face value — and why should they?

Sullivan’s code of conduct has given us a body to work within ... and get involved

A section of the Pace Commercial College library, Rex Pennington (inset) is headmaster of the college.

The scoring of ’Brownie’ points is a thorny issue ... the Pixo system have helped to enhance the product.

Sullivan's code of conduct has given us a body to work within. For example, without it we wouldn't have known about the adoptions school program and wouldn't have found out how to get involved.”

As far as the reporting requirements of the code are concerned, he said: “We found ourselves in a bit of a minefield and saw it as a point-scoring exercise, but now that we understand the rating system we are happy with it.”

“The whole Sullivan effect is an evolutionary thing — responding to changes in the environment. What they are looking at is for companies to make the Government aware of the fact that, as a group of American companies, are unable to carry out business because of red tape — such as when a man cannot work in a particular area or his wife cannot be with him.”

In answer to the question of whether or not efforts would have been made to raise the level of blacks without the intervention of the Sullivan Code, Hewlett-Packard’s managing director Marcus Purvis said: “I think the answer is yes. A lot of companies like us used to be involved long before Sullivan became topical. But I think some companies were pressured into complying with the code whereas they might not have become involved otherwise.”

In a personal letter he had to answer only to our conscience. Now we have to be seen to be doing that through the Sullivan code.”

One of the projects HP has been involved in is SHEB (Self Help African Peoplehood) which was started by a black paralegal. The centre offers employment to more than 50 paralegals.

Ric HEP project leaders discovered the centre when he was given the task of solving a problem with calculator repairs. Now, having trained the paralegals in how to do the work, the company sends in calculators for repair and pays a fair rate for the work. HP is now promoting the centre to other businesses, which could be the start of a country-wide set-up.

According to HP’s senior African representative Irene Lightfoot, the company donated R18 000 to hospitals alone in the last Sullivan reporting year.

An entire intensive-care unit was donated to Baragwanath Hospital, and we were taught how to operate it, and ongoing support will be provided. But Lightfoot stressed that these donations would have happened without the Sullivan Code.

Volunteers from within HP are active participants in the Junior Achievement program where they serve as counsellors and, although cash donations are made, the accent is on providing management in- volvement, creating job opportunities, and donating equipment rather than just money.

NCR’s personnel manager Peter Noble says that one of the positive points about the Sullivan Code is that the US principals have realized they must spend more money in South Africa than in other countries.

Most companies spend a percentage of profits on development, but by virtue of the Sullivan principles this is virtually ignored. It’s regarded as an investment in their future in South Africa.

Noble said the Sullivan Code had forced them recently to do their own thing, being involved in community projects and in a dissipation of effort and expenditure.

“Push is now towards a spearhead attack on projects. Not only will those efforts be co-ordinated — resulting in higher visibility — but fewer projects will result in a greater benefit.”

Among other things, NCR has concentrated its efforts on the education of non-whites through bars, education of its employees’ children, donation of equipment to universities, local and overseas training of its employees, and sponsoring field engineers through the Business Equipment Association Training programme.

According to Noble, the company offers equal job opportunities and remuneration regardless of race.

“We have blacks, coloureds and Asians in all types of jobs, including senior positions.”

NCR adopted two schools last year and hopes to adopt another one in 1985, according to Margie Spier, Sperry’s em- ployee-relations officer.

“We spread a lot of money on various electronic equipment and pro- gramming.”

ComputerWeek, 11 November 1984
Twenty US firms 'face terror' over SA links

NEW YORK — The FBI yesterday warned 20 major American corporations with South African connections that they might be the target of terrorist attacks.

It is understood the firms' names appear on lists compiled by the underground United Freedom Front (UFF).

The UFF has been blamed for a number of bombings in the metropolitan area, including the blast at the South African consular office in New York on September 22.

The 20 corporations, whose names are being deliberately withheld by the FBI, all have dealings with South Africa or other countries whose policies are opposed by the radical UFF, or else hold large contracts with the US Department of Defence.

A report in the New York Daily News said yesterday: 'Top FBI officials and members of the joint task force of the FBI and New York City police are expected to meet with officials of the corporations soon to discuss a beefing up of their security.'

A total of 17 bombings or attempted bombings in New York and Washington have been linked to the UFF. The bombings have done extensive damage to buildings but have not caused injuries.

Earlier this month, federal agents captured five suspected radicals in a raid in Ohio.

The agents found the target list among notes and floor diagrams of two corporate offices in New York — the General Electric Aerospace division in Melville, Long Island, and the IBM office in Harrison.

Highly-placed sources said there was rising concern about the activities of the UFF radicals. — Sapa-AP
Services
Conferences

IRRC's clients also are eligible to attend conferences, briefings and roundtable discussions on a variety of issues. Recent meetings have included briefings by staff members on recent developments in South Africa, conferences and roundtable discussions on proxy voting, and a conference to discuss new issues in the area of corporate governance.

Consulting Services

IRRC analysts are available for contract research, tailored to the requirements of individual clients, in areas of IRRC's expertise.

IRRC

In the last decade, as institutional shareholders increasingly have moved to make independent assessments of the policies of their portfolio companies, IRRC has provided the information these investors need. Since 1972, IRRC has provided timely, impartial reporting and analysis on economic and social issues that affect corporations and institutional investors. Much of the Center's research relates to issues raised in management and shareholder proposals.

IRRC makes no recommendations or judgments about the subjects it covers. The impartiality of the Center's reports enhances their value to institutional investors wishing to evaluate issues according to their own investment criteria or proxy voting guidelines.

IRRC is an independent, not-for-profit corporation. Its work is financed primarily by annual subscription fees paid by more than 170 investing institutions.

IRRC is governed by a 21-member board of directors who represent subscribing institutions. It has a staff of 15.

IRRC's reports are available by subscription—either directly from IRRC, or from one of several brokerage firms that have signed contracts to purchase the Center's research services for reissuance to their clients. Subscription rates, the names of these brokerage firms, and information on subscription procedures will be furnished on request.

IRRC is registered as an investment adviser with the Securities and Exchange Commission.
Basic Service

IRRC's Basic Service provides research and analysis to the institutional investor interested in following shareholder resolutions that raise social responsibility issues. Many institutional investors vote on shareholder resolutions as a way of influencing corporate policies that have an impact on society. Other institutional investors view these shareholder resolutions as an early indicator of the public concerns that may eventually result in regulatory action with financial consequences for them or their portfolio companies.

Accordingly, the Basic Service not only provides early notification to subscribers of the shareholder resolutions that will be raised at their portfolio companies throughout the year, but provides clear, thoughtful analyses of the issues raised by these resolutions and of the regulatory and political climate in which they arise.

- *News for Investors*, a monthly newsletter, provides complete descriptions of all social responsibility shareholder resolutions submitted for inclusion in corporations' proxy statements. Beginning in February, a handy checklist—organized alphabetically by company and updated monthly—shows the subject and sponsor of each resolution and the date of the annual meeting, enabling the subscribing investor to establish a schedule for considering the proposals. Through the rest of the year, *News for Investors* reports on the status of these resolutions as they come to votes at corporations' annual meetings. It also reports on decisions by the Securities and Exchange Commission interpreting and applying the commission's rules governing shareholder access to corporations' proxy statements.

- Periodic special reports provide more in-depth coverage of issues concerning U.S. companies in South Africa. Recent reports have analyzed the South African government's strategy to modernize apartheid, assessed the growing black trade union movement, and examined the public pressures that have been directed against U.S. companies doing business in South Africa, including the campaigns for stockholder divestment from companies with South African ties.

- A directory of more than 260 U.S. companies in South Africa, which is updated regularly, shows the names, locations and principal business of the companies' subsidiaries or affiliates in South Africa, the sales and assets of each, and a breakdown of the work force by race. The directory also shows whether each parent company has signed the Sullivan principles. Beginning in 1984, the directory will include information on loans to South Africa by major U.S. financial institutions and a description of any bank policies that restrict such lending.
South Africa Review Service

Since shareholder activism began its dramatic rise in the early 1970s, one of the major social issues raised by shareholders has concerned the role of their portfolio companies in South Africa. Many institutional investors have questioned whether American corporate involvement in South Africa helps to maintain institutionalized racial discrimination there or serves as a force for progressive change. To assist these investors, IRRC’s South Africa Review Service reviews the operations of U.S. companies in South Africa and the political and economic developments in that country. This service also covers developments in the United States, ranging from divestment campaigns to changes in government policy, that affect the activities of U.S. corporations and banks in South Africa. Much of the information is gathered by IRRC analysts who visit South Africa each year.

- Profiles of more than 50 U.S. companies in South Africa, updated periodically, describe in detail their operations, their role in the South African economy, their employment practices, and their community development and political lobbying efforts. Each profile also analyzes the strengths and weaknesses of the company’s efforts. The information for these reports is drawn primarily from IRRC staff interviews with companies’ management and workers in South Africa.

- The South Africa Review Service Reporter, a quarterly newsletter, provides updating of the status and activities of U.S. companies in South Africa, pertinent reports on social and political developments, Proxy Issues Reports, mailed to subscribers three weeks before each corporation’s annual meeting, provide objective coverage of the issues raised in each social responsibility shareholder resolution. For each Proxy Issues Report, IRRC analysts interview the proponent of the shareholder resolution and a representative of the company at which it is pending. They also conduct independent research into topics having a direct bearing on each resolution. Using the Proxy Issues Reports, investors can make informed judgments about resolutions, both in reviewing the issues and in voting proxies.

- How Institutions Voted, published every fall, summarizes the results of IRRC’s annual poll of voting by institutional investors on social responsibility shareholder resolutions during the year. This report shows individual institutions’ votes, looks at trends, discusses in depth five or more shareholder issues that dominated the proxy season, and provides a final checklist of the resolutions brought to votes and the levels of support they received.

- Periodic studies analyze economic, social and political issues of concern to many investors. Recent studies have covered the debate about nuclear power, the future of coal and alternative energy sources, trends in corporate philanthropy, the nuclear weapons industry, the growing pressures on pension fund managers to use nontraditional criteria to make investments, and corporate advertising practices.
Corporate Governance Service

The last several years have witnessed a dramatic change in the role that institutional investors play as shareholders of major companies. Increasingly, institutions have discarded the passive investment approach dictated by the Wall Street Rule for a more active role in corporate governance, displaying a new willingness to vote independently on both management and shareholder proposals that may affect the value of corporate assets or the rights of shareholders.

IRRC's Corporate Governance Service was established in 1982 to provide information and analysis on a variety of corporate governance issues, including antitakeover proposals, executive compensation, and proxy contests for control.

- An annual-meeting calendar lists meeting dates and provides a summary of both management proposals and shareholder resolutions that will come to votes at annual meetings of major companies. Updated frequently, the calendar serves as a checklist and organizing tool during the spring proxy season and throughout the year.

- Background reports examine the key corporate governance issues that shareholders are likely to face. These reports, on antitakeover defenses, executive compensation policies, the role and composition of corporate boards, and other recurrent issues, provide an excellent basis for developing or reevaluating voting policies.

- Special reports analyze individual shareholder proposals or management proposals that may have important consequences regarding business policy, corporate structure, or shareholder rights. These reports, which are company-specific, assist clients in making voting decisions that may significantly affect the value of their investments.

- Voting by Institutional Investors on Corporate Governance Questions, an annual survey, reviews the voting policies of major institutions and how they voted on key corporate governance issues during the year. The survey also reports the results of votes on significant issues at individual companies.

- A quarterly newsletter, Corporate Governance Bulletin, provides continuous coverage of corporate activities, government actions, pressures from institutions and other items of interest to those concerned with corporate governance developments.